

The NATIONAL UNDERWRITER

Life Insurance Edition



WHEN YOU CHECK UP ON YOUR PLANT'S PAY-ROLL SAVINGS PLAN FIGURES!

These days, things change with astonishing speed. The Pay-Roll Savings Plan set-up that appeared to be an outstanding job a short time ago, may be less than satisfactory today.

How about checking up on the situation in your plant? Checking up to see if everybody is playing his, or her, part to the full measure of his, or her, ability. Checking up to see if 'multiple-salary-families' are setting correspondingly multiple-savings records.

A number of other groups may need attention. For example, workers who have come in since your plant's last concerted bond effort. Or, those who have been advanced in position and pay, but who may not have advanced their bond buying accordingly. Or even

those few who have never taken part in the plan at all. A little planned selling may step contributions up materially.

But your job isn't finished, even when you've jacked participation in your Pay-Roll Savings Plan up to the very top. You've still got a job before you—and a big one! It's the task of educating your workers to the necessity of not only buying bonds, but of *holding* them. Of teaching your people that a bond sold before full maturity is a bond robbed of its chance to return its full value to its owner—or to his country!

So won't you start checking . . . and teaching . . . today?

War Bonds To Have And To Hold!

**LET'S ALL BACK THE ATTACK
WITH WAR BONDS!**

*The Treasury Department acknowledges with appreciation
the publication of this message by*

The NATIONAL UNDERWRITER

This is an official U. S. Treasury advertisement—prepared under auspices of Treasury Department and War Advertising Council

FRIDAY, JULY 28, 1944

Stories from **EQUITABLE** Life



EQUITABLE *Educational Fund Insurance* **PROTECTS THESE TRIPLETS**

This picture of Bonnie, Bryan and Barbara Wilhite, triplet children of Mr. and Mrs. Lee Wilhite of Bakersfield, Cal., was taken on the first day they started for school. Mrs. Wilhite was a schoolteacher before her marriage and both she and her husband have a keen appreciation of the value of education in the world today. To safeguard this little trio during their growing up days, and with a longer look forward to the time when they will presumably be ready for college, their proud parents some months ago took out an Equitable Endowment Policy as a means of making financial provision for them.

THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States

393 Seventh Avenue, New York 1, N. Y.

Thomas I. Parkinson, President

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Democrats Pass Over Insurance in Platform

Action Is Surprise; O'Mahoney Kills Plank in Resolutions Committee

Failure of the Democrats to include an insurance plank in the platform adopted at Chicago was disappointing to many in the insurance business, even though the 1940 plank was followed by the Justice department's move against fire companies which culminated in the Supreme Court decision holding insurance is commerce, thereby bringing insurance within the orbit of the federal government.

There was much interest in why the plank failed to be included after it was proposed by Commissioner James A. McCormack of Tennessee. Mr. McCormack's proposal, almost identical with the 1940 statement, was made to the subcommittee of the resolutions committee. The drafting committee, made up from the personnel of the subcommittee, voted unfavorably on the insurance plank, after Senator O'Mahoney of Wyoming had indicated his opposition.

Vote Is 46 to 21

The insurance plank, presented by Senator Radcliffe of Maryland, first vice-president of Fidelity & Deposit, was voted down in the resolutions committee by a vote of 46 to 21.

The opposition of O'Mahoney in the drafting committee on Thursday came as a surprise because two days previously he had indicated that he not only wanted an insurance plank but would accept the plank proposed by Mr. McCormack, possibly with the amendment that the insurance companies were not to be exempt from the anti-trust laws.

Observers believe that a factor contributing to the defeat of the insurance plank was the large number of proposals which had been recommended for inclusion in the platform. These proposals were made in a hearing of more than two days held by the subcommittee of the resolutions committee, where practically everyone had a chance to present a proposal.

Jam at Last Minute

The resolutions committee had a great deal of difficulty with the racial equality plank, and this took up most of the time available. The majority of the remaining proposals had to be disposed of in half an hour or so, and the insurance plank was only one of a vast number which were turned down. Those who were fighting for the insurance plank had a difficult time getting the issue of its inclusion in the platform put to a vote at all.

Thomas D'Alesandro, congressman from Baltimore and a member of the agency of D'Alesandro & McCullough there, fought for inclusion of the plank in the platform. He was helpful in arranging for Mr. McCormack's presentation, and he fought for adoption. Representative McCormack of Massachusetts, who was chairman of the resolutions committee, favored inclusion of the plank, and the proposal had some other friends.

But they were unable to prevail against the majority sentiment, the char-

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38% of Proceeds Left for Incomes

More Than \$250,000,000- 000 Policy Benefits Held by Life Companies

American families in 1943 used \$424,000,000 of their life insurance benefits to provide income for future years under policy privileges, 38% of all ordinary and group death benefits and maturing endowments went into these future income plans, the Institute of Life Insurance reports.

This is the largest aggregate ever used in one year to set up income plans, the institute points out. It brings to over one billion dollars the amounts used in this way since the start of the war.

Quarter Billion in Trust

By the end of 1943 policyholders had set aside over \$2,500,000,000 with their life companies from benefit payments coming due, to be used as future income under either personal or family income plans. Income installments paid to policyholders during 1943 amounted to \$248,000,000.

While the income plans set up in 1943 represented 38% of the benefit payments subject to such use, as recently as 1929 they amounted to only 10% of such benefits and in 1920 only 5%, the institute estimates. The aggregate of benefits has grown materially in the intervening years and the proportion used to establish income plans has multiplied this increase. The amount used last year for income plan purposes was some 20 times the aggregate so used 25 years ago.

Dividend Payments Show 14 Million Gain in 6 Months

Dividends paid policyholders increased approximately \$14,000,000 in the first six months bringing the total to about \$220,000,000, the Institute of Life Insurance reports.

The increase in insurance in force is responsible for a large part of the increase, the gain in force last year being approximately the same percentage as dividend payments. In addition, there were a few instances of dividend rate increases.

Decreased interest earnings last year were offset by increased collection of overdue interest and larger gains from the sale of securities and real estate. While receipts from these sources are not apt to be recurrent, they contributed to reserve funds and enabled a general holding of the line on dividends to policyholders, the institute points out.

\$404,000,000 Paid in 1943

In 1943 dividends to policyholders totaled \$404,000,000, \$80,000,000 of which was left with companies on deposit. This represented an increase of 10% over the amount so used from the previous year's dividends.

About the same relative share of the year's dividends as in 1942 was applied to the payment of renewal premiums, the \$192,000,000 used in this way being 47% of the year's total. Another \$59,000,000 was used to purchase paid-up additions and annuities, \$647,000 was applied to shorten endowment or premium paying periods and \$72,000,000 was taken in cash or used to pay off policy loans or premium notes.

In addition, policyholders in 1943 called for \$33,896,000 of the dividends previously left on deposit with the companies and used \$1,895,000 of their earlier

C.L.U. Designation to Be Awarded to 125 Passing Exams

The C.L.U. designation will be awarded to 125 candidates who passed examinations held by the American College of Life Underwriters last month, bringing the total membership to 2,549. In spite of war conditions, 704 men and women took the examinations at 97 different educational institutions, four army camps or naval bases and one German prison camp. Due to continued emphasis upon the four-year study program, only six persons presented themselves for all of the five parts in which the C.L.U. examinations are divided, while 428 candidates were awarded credit for all of the examinations which they undertook. Forty-one others were given credit for passing one or more of the five examinations.

Over 5,000 Participate

In addition to the 2,549 who have now completed the entire series of C.L.U. examinations, there are several thousand others who have credit for successful completion of some of the five parts, thus making a total well over 5,000 who have demonstrated their knowledge in all or some of the fields covered by the C.L.U.

Conferment exercises of the American College will be held in Detroit on Sept. 14 in conjunction with the annual meeting of the National Association of Life Underwriters. Subsequently, special presentation exercises will be held locally under the auspices of C.L.U. chapters and life underwriters associations.

NSLI Reaches \$170 Billion

WASHINGTON — There is now \$170,670,000,000 of National Service Life Insurance in effect, according to the Veterans' Administration. In addition, there is \$2,500,000,000 government life insurance outstanding on World War I veterans.

The total is estimated at about 84% of life insurance issued by private companies. The Veterans' Administration is receiving thousands of applications daily for more National Service Life, which, possibly, may ultimately exceed the total of private life insurance.

The Veterans' Administration states that about 4,000,000 of the 4,700,000 who served in World War I are still alive, although government life insurance dropped from a peak of \$39 billions to \$2,500,000,000 on personnel who served in the last war.

dividend deposits to shorten endowment or premium paying periods. At the end of the year, the aggregate of dividends left by policyholders on deposit with the companies was \$643,213,000.

Payments Pass Billion Mark in Five Months

Total payments to American policyholders and beneficiaries by life companies for the first five months amounted to \$1,066,063,000, an increase of \$45,185,000, according to the Institute of Life Insurance. Increases were shown in death benefits, in payments on matured endowments, under annuities and in dividends to policyholders. Surrender value payments and payments on account of disability declined.

New Name Adopted by Life Presidents; Revise Constitution

Offices of President and Executive Director Are Created

NEW YORK—The Association of Life Insurance Presidents at a special meeting in New York, adopted a revised constitution changing the organization's name to the Life Insurance Association of America and expanding materially its administrative setup. The changes are the result of recommendations of a committee on extending the association's activities headed by George Willard Smith, president New England Mutual Life. The new constitution will become effective at an organization meeting called for Aug. 11.

The new constitution creates the office of executive director, and provides for a president to be chosen annually from the membership. Provision also is made for a partially rotating board of directors consisting of 15 members. The directors will serve as the governing body between association meetings, and have power to choose from their membership an executive committee of seven to attend to business arising between board meetings. The board will meet at least four times a year.

Two Major Meetings

The association will hold two major meetings a year, the annual meeting to be held during the last quarter of the year. Special meetings may be called at any time by the executive director or the board of directors, or at the written request of members representing five companies. The old constitution provided for regular meetings in February, April, June, October and December in each year, with an executive committee of 11 members to take care of business arising between such meetings.

The present office of manager, as administrative head of the association, is retained under the new constitution. The manager will function under the direction of the executive director, who is designated as the executive head of the association. Both executive director and manager are to be elected annually by the directors following the annual meeting.

The president is to be chosen annually at the annual meeting. He is to be ex-officio a member of the board and of the committees of the board but will not vote at meetings except in case of a tie. He will preside at meetings of the association and of the board.

The new constitution also provides for a legislative committee of not more than nine, to be composed of officers of companies represented in the association. This committee is to have the responsibility of advising on matters of legislation and such matters pertaining to litigation as may be referred to it by directors.

The committee on extending the activities of the association was appointed in December, 1942. In addition to Mr. Smith, the chairman, the other members are James A. Fulton, president Home Life of New York; George L. Harrison, president New York Life; Leroy A. Lincoln, president Metropolitan Life; M. Albert Linton, president Provident Mutual Life; Gerard S. Nollen, president Bankers Life of Iowa; and L. Edmund Zacher, president Travelers.

Much Discussion in Company Ranks Is Still Seen

Not Much Unanimity of Opinion as to Course to Pursue

NEW YORK—There is still much discussion going on among the various insurance company groups as to what should be done at this time following the U. S. Supreme Court decision holding that insurance is interstate commerce. The casualty executives have been having a number of meetings. Some have not made up their minds as to any particular program. Some evidently desire regulation or an understanding that will save the present rating organizations which have been very effective and useful. These rating organizations comply with the state laws and if there is to be any interference with their operations the state laws would have to be amended.

Back Bailey-Walter Bill

So far as the stock fire companies are concerned, they are very strongly behind the Bailey-Walter bill as it now stands. In fact, so far as can be learned most of them do not approve of any amendments and do not want any further investigation before the matter comes before the Senate. This group evidently is following the advice of its friends in Congress who suggest that there should be no amendments but that the bill as it stands should go before the Senate the same as it was when it passed the House.

The feeling is growing in congressional circles that this bill can be passed in its present form if there is a united sentiment back of it on part of the insurance industry as a whole.

Want Organizations Supervised

Regardless of this group that is insisting on no amendments, there is an outstanding coterie that insists on certain amendments. They would leave the regulation of insurance with the states but would provide for a more adequate supervision of rating organizations.

Some of the senators who are not on the judiciary committee seem to favor a study by Congress of the status of state regulatory laws. There are various statutes and these members of Congress contend that there should be some fact finding and a consideration of some form of supervision that would be effective and yet not drastic.

The life people are satisfied to drift along because they feel they are not affected by the U. S. Supreme Court decision. The Association of Life Insurance Presidents and the American Life Convention, the two company organizations, have appointed a special committee of a small number to constitute listening posts and make suggestions to the insurance commissioners if it is found best for the life companies to take any positive position.

Life Men's Position

Life people and some of the insurance association executives still complain about the Bailey-Walter bill, holding that it was untimely and that it should not have been introduced until the skies were clearer. These people take the ground that it was a mistake to ask for exemption from federal anti-trust laws at the time it was introduced due to the fact that it would create a prejudice against the industry. From a life insurance standpoint the companies still hold

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Trundles Bricks Indicating New Policies for Jenkins



General Agent C. E. Cleeton of Occidental Life of California in Los Angeles is shown as he wheels the first wheelbarrow load of bricks from his office to the company's home office there. Each brick represents a policy delivered in the "billion in force" contest ending Oct. 14, in honor of Vice-president V. H. Jenkins' anniversary. "Stack 'em right over there," Mr. Jenkins says as he trundles the load into Mr. Jenkins' office.

Life Company Operating Expenses at Low Point

The operating expense ratio of the life insurance business has not increased during this war as it did in the former war, and is today at the lowest point in more than a decade, according to the Institute of Life Insurance. In spite of the increases in costs and wage levels that have occurred since the bottom of the depression, the ratio has remained fairly constant over a 10 year period.

Last year's ratio of operating expenses, including all sales and management costs, to income for all U. S. companies was approximately 13%, which compares with 13.9% in 1942 and 14% in 1941.

"The ability of the companies to hold the expense ratio relatively constant during this period is an index of the success achieved by efforts to increase operating efficiency," the institute points out. "The significance of the accomplishment is emphasized by the fact that there has been a steady expansion during the period in the services to policyholders and beneficiaries."

Total life insurance in force is 16% greater than at the outbreak of the war and 46% greater than 10 years ago. In addition, the payment of policy proceeds on an income basis, a comparatively new service, involves literally millions of transactions a year in the handling of principal sums and the payment of income.

Records show that in contrast to the experience in this war, the operating expense ratio rose in each year of the last war, the rise continuing to a peak in 1920. The expense ratio today is substantially below the ratio of that period.

Plans Canadian Convention

West Coast Life will conduct a "Victory" convention at the Empress hotel, Victoria, B. C., in the summer of 1945,

Taxation Is Theme of St. Louis Rally

National Tax Association Will Have Special Insurance Round Table

The National Tax Association will hold its annual conference on taxation at the Hotel Jefferson, St. Louis, Sept. 11-13. The evening of Sept. 11 there will be a round table on insurance taxation.

Special interest will be centered in a discussion of taxation of insurance in interstate commerce.

The National Tax Association was created in 1907 to provide the basis for a forum for the discussion of taxation. It takes no position on any subject, but seeks merely to bring together the taxpayer, the tax administrator, the college professor, the attorney, accountant, etc. The sessions are open to everybody, and all may participate in discussions. Attendance at the conference will run 600 to 700. There are no fees or charges of any kind in connection with the conference.

Officers and Directors

Roy O. Blakey, University of Minnesota, is president; B. L. Pierce, state board of equalization of California, vice-president; R. E. Manning, Library of Congress, secretary. The officers, former presidents and the following constitute the executive committee: Walter J. Conaty, Chesapeake & Ohio Lines; William R. Pouder, Tennessee Taxpayers Association; John A. Scott, assessor, Duluth, Minn.; John Lansdale, Southern Pacific Lines; Thomas C. Lavery, attorney, Cleveland; Forrest Smith, state auditor of Missouri; Alfred G. Buehler, University of Pennsylvania; Denzel C. Cline, Michigan State College; Paul N. Reynolds, Wisconsin Taxpayers Alliance; A. Kenneth Eaton, department of finance of Canada; Stuart Garson, premier, Province of Manitoba.

Massachusetts Mutual New Head at Savannah

Joseph E. Harty has been appointed general agent of Massachusetts Mutual at Savannah, Ga., to succeed his brother, the late Anthony Harty. He is the third member of the family to head the agency. His father, R. J. Harty, was general agent from 1894 until his death in 1934. Anthony Harty was elected co-general agent in 1932.

Joseph Harty for a number of years was in the cotton business. In 1943 he went with Massachusetts Mutual as an agent in Savannah. Last year he placed \$235,000 in new business.

Anthony Harty died following an illness of several months. He attended Georgetown University and Georgia School of Technology and started as an agent at Savannah under his father.

Becker, Geer and Newfield Are Lincoln National Leaders

The L. S. Becker agency, St. Louis, was the class 1 winner in Lincoln National Life's annual president's month contest, honoring President A. J. McAndless. The J. H. Geer agency, Akron, O., was the class 2 winner; and the Lou K. Newfield agency, Oakland, headed class 3. Wall plaques were awarded the three winners.

This year there were 59% more individual winners than there were last year. W. B. Kibble, Akron, O., who led in personal production, produced twice as much business this year as he did in the last contest.

the company's first agency convention since war started. In 1944 \$150 in war bonds per \$100,000 paid for business is offered in place of a convention.

Mass Recruiting Unlikely When Shortage Eases

Manpower Problems Expected to Ease Soon—Stress on Quality

NEW YORK—Many agency men feel that the peak of the manpower problem soon will be passed and the question will resolve itself in not how to find men, but how to select qualified applicants. It is unlikely there will be any general mass recruiting. Selection standards have been maintained at a high level despite the manpower shortage and there is evidence that they will not be relaxed when the supply of new men again becomes plentiful. Since the new manpower referral regulations went into effect, it is practically impossible to get men in critical labor areas.

Despite the difficulty in obtaining new men, a number of companies in the past 12 months have succeeded in recruiting more new men than they have for a long time. This has been done consciously and with full recognition of the importance of quality, with at the same time emphasis on the necessity of obtaining new men. These new men are producing the best record of any similar group. An agency executive of one of the larger companies said it could put on 2,000 more men and they would be able to maintain the present production level of its new men, which is the highest in the company's history.

Change Is Likely

Conditions which are responsible for the present favorable market are likely to be somewhat affected, of course, when the manpower peak is passed and men again become plentiful. They will depend to a large extent on the situation developing after the end of the war in Europe and the extent of the partial demobilization expected at that time. Also, as soon as there is definite evidence German resistance is cracking, many war workers are expected to look for jobs with better opportunities in peacetime. Naturally workers will continue to hang on to highly paid war jobs as long as there is reasonable evidence of some degree of permanency.

Some who are following the situation closely believe a partial demobilization and partial reconversion are inevitable with the defeat of Germany. The temptation to recruit men may be strong, but it will be resisted.

Readjustment Problem

Companies which have had experience with new men returned from the armed forces find there is a considerable readjustment problem. So far, the experience has been confined largely to those unfitted for military life. From the rather limited experience with men who return from military service to come back into the business, a similar conclusion is reached.

As a means of insuring the high caliber of men coming into the business, companies are going to considerable lengths to prepare prestige building material which is designed to make a favorable impression both upon centers of influence and also upon the prospective agent himself. Mutual Life, for example, has prepared a recruiting handbook which shows what important people think about life insurance, illustrates actual successes in the field, and presents forceful statistics on the advantages of the agent's job and his com-

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Commissioners' Committee to Meet Friday in N. Y.

Graves' Group Will Hear Reports from Industry on Federal Legislation

Commissioner Graves of Arkansas has called a special meeting of the federal legislation committee of the National Association of Insurance Commissioners for July 28 in New York.

Mr. Graves, chairman of the committee, said the meeting was called specifically at the request of the fire and casualty insurance groups, to hear their reports on the problems growing out of the recent U. S. Supreme Court decision in the Southeastern Underwriters case and possible suggestions for federal legislation.

The commissioner previously had requested all groups to have their reports ready for submission to the committee before Aug. 5.

Commissioner Graves announced Wednesday that he would be unable to attend the Friday meeting in New York. Commissioner Harrington of Massachusetts, vice-chairman of the committee, will preside.

Mr. Graves said he will call a general meeting of the committee Aug. 14 or 15 in New York City to which representatives of all branches of insurance and others desiring to be heard have been invited.

After definite recommendations are agreed upon by the legislative committee, the recommendations will be submitted to the executive committee of the N.A.I.C. for consideration.

Other members of the committee are Harrington of Massachusetts, Johnson of Minnesota, Scheufler of Missouri, Dineen of New York, and McCormack of Tennessee.

Mr. Graves said that Arkansas would lose approximately \$1,000,000 annually in premium taxes if some measure is not devised to counteract the effects of the court decision.

The meeting will open at 10 a.m. Friday at the New York City office of the New York department, 61 Broadway. It has not yet been decided whether it will be an open meeting. That will depend on the nature of the material to be presented. The Graves committee does not plan to hear any other groups at Friday's meeting in addition to the committee representing the fire and casualty companies.

New Feature in Valuation Formula from N. Y. Law

In the securities valuation resolution of the National Association of Insurance Commissioners there is a new section covering the valuation of stocks of insurance companies. It provides that stock of an insurance company shall be valued at its book value as shown by its last annual statement or the last report on examination, whichever is more recent. The book value of a share of common stock of an insurer shall be ascertained by dividing the amount of its capital and surplus less the value of all of its preferred stock, if any, outstanding, by the number of shares of its common stock issued and outstanding. But it is also provided that an insurer may value its holdings of stock in a subsidiary insurer in an amount not less than acquisition cost if such acquisition cost is less than the value determined "as herein before provided."

The entire paragraph is taken directly

New Jersey Managers Boost Cox Candidacy

Carlton W. Cox, manager of Metropolitan Life in Paterson, N. J., who is



C. W. Cox

being boosted for trustee of the National Association of Life Underwriters by general agents and managers in New Jersey, with H. C. Lawrence, general agent of Lincoln National, managing his campaign, is the immediate past president of the New Jersey Association of Life Underwriters. He was also one of the organizers of the Passaic-Bergen County association and is a former president of that group. Under his leadership membership in the state association advanced 26% to an all-time high of 485.

Starting with Metropolitan as an agent in 1920, he was promoted to manager at Bloomfield in 1922 and transferred to Paterson in 1929. Immediately after his graduation from Williams College in 1917, he went into the army, was commissioned a first lieutenant in the infantry, and served overseas one year.

He is active in business and civic activities both in Paterson and Montclair, where he resides.

from the New York insurance law. Some insurers that own insurance company subsidiaries prefer to carry stock of those subsidiaries at a figure that can be depended upon to stay constant. Otherwise surplus might be jumping around from year to year because of the fluctuations in the value of the stock of a subsidiary.

Many Opportunities Are Created by Tax Situation

A number of opportunities for the sale of insurance today in the light of the tax structure were presented at a meeting of the Philadelphia C. L. U. by Irvin Bendiner, New York Life, Philadelphia.

More annuity contracts should be bought by the American public, he said. The country is in a period of tremendously high income taxes and low investment yields, and many persons today are living on capital. If that capital yields 3%, which is high, or 3½%, which may still be the situation, the interest income is cut into by surtax which may run to 30, 40 or 50%. The question is, how much of the yield received by the taxpayer remains in his hands after he has paid taxes? Mr. Bendiner wonders why this capital is not converted into a contract which can be purchased favorably so far as taxes are concerned.

Should Sell Single Premiums

More single premiums should be sold, he said. Now is a period in which people ought to be attending to accretions rather than to present day income which is being decimated by current income taxes. In 10 years income taxes probably will not be what they are today, and the person's income may well be higher or lower. Mr. Bendiner suggested that it would be better not to use yield on war bonds now, but let it accrue and take it when the bonds mature.

If dividends are paid on single premium policies they are not returnable. Accretions in the value of a policy are not returnable until taken at maturity or surrender and if the individual dies he has the benefit of the entire proceeds on a tax free basis returning a substantially greater profit than the amount invested. Better use can be made of single pre-

mium policies in this connection, he declared.

Under Treasury decision No. 5231, Mr. Bendiner suggested that if an agent has a situation in which someone dies and an election of option is made by the beneficiary, the proceeds should not be returned for income tax purposes, in view of a court decision to the effect that even if the beneficiary elects a settlement option none of the proceeds are taxable to that beneficiary. The commissioner of internal revenue has not yet acquiesced in this decision, and has filed a petition for review. The action he suggested, Mr. Bendiner said, may bring on litigation, but sooner or later litigation will have to come anyway, and that has to be initiated by the public because the commissioner is going to be reluctant to litigate or seek review.

Tax free bonds rapidly are disappearing from the market, he added, and under the tax laws, life insurance today remains the outstanding type of security or investment that can be purchased, the proceeds of which, substantially enhanced, are not subject to income tax when received by the beneficiary.

Insurance to Pay Taxes

Mr. Bendiner said he could not understand why agents have not stressed more the purchase of life insurance payable to the estate for the payment of federal estate taxes. While this enlarges the estate, administration expenses can be avoided along with shrinkage charges by providing ready cash at exactly the right time. In addition the agent educates the man to pay currently his debt for taxes out of income while he lives instead of leaving it to be paid out of capital by the widow after he dies.

He emphasized that Treasury decision No. 5231 covering an election by insured during his lifetime to have the proceeds payable to the beneficiary in installments is to make family income policies exempt from income taxes in the hands of the beneficiary. He also suggested that the agent have maturities paid in installments and if contracts are not so arranged, to do so as they mature. When paying premiums in advance at a discount of 1 to 2% the discount is not returnable as income for tax purposes. This a ruling of the tax department offers a real opportunity today where individuals cannot earn more than 2% in savings banks, the 2% being subject to income tax.

Assignments for Value

He said problems in the field of assignments for value are increasing. More such assignments are being made, and most are for value. There are a lot of questions as to just what is value and under contract law the adequacy of consideration is never a problem no matter how slight the consideration is. In the field of policies assigned to corporations transfers of policies for value today not only raise the question of whether they are subject to income taxes but subject to excess profits taxes as well.

The best opportunity today to hedge against the future lies in utilization of contracts offered by the insurance companies, he declared.

Penicillin Provided Free

NEW YORK—Hospitalized members of Associated Hospital Service who need penicillin will be provided with it without charge, President L. H. Pink has announced. A. H. S. will set up a special reserve fund to repay the hospitals for additional costs due to supplying penicillin and other unusual remedies to members of the service.

Mr. Pink said that A. H. S. believes that in addition to budgeting normal hospital expenses for its members should help them to take advantage of new developments in medicine whenever this is possible.

WILLIAM PENN and the Wampum Belts

The way of the Indians with wampum belts was this. At a treaty a blanket would be stretched on the ground and upon the blanket placed various wampum belts.

Each wampum belt represented and symbolized one historical agreement the tribe had made, and it was the responsibility of the Indian who had the keeping of the belt to memorize its particular and specific meaning. Thus he kept in memory one clause or one treaty, reciting it when requested.

A white man would either want to memorize all the agreements or have them all down in writing. But the Indians had a man specified to remember each agreement. Not very different from having a policyholder keep possession of his own life insurance policy.

Perhaps in that custom we find the secret of the Great Treaty of William Penn with the Indians, a treaty not recorded on paper and not sworn to—and never broken. There is a wampum belt supposed to have symbolized it—the Indians remembered and kept the peace, and so did Penn.

1644—WM. PENN TERCENTENARY—1944

* * *

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Gannett Newspapers Run Feature Series on SEUA Decision

NEW YORK—Newspapers of the Gannett chain recently ran a series of feature articles by Roland Alston of the Gannett Washington bureau on the effects of the U. S. Supreme Court decision in the Southeastern Underwriters Association case. The articles set forth the problems clearly in layman's language and show a thorough understanding of the various issues that are involved from the standpoint of the insurance business, the commissioners and the public.

The articles discussed the background of the case, including the long line of decisions holding insurance not to be commerce; the over-hauling of state regulatory laws that will result, the possibility of federal legislation, and the prospects of a long drawn out fight over what kind of federal control there should be, if any.

The Gannett newspapers are mostly in upstate New York, the exceptions being the Hartford (Conn.) "Times," the Plainfield (N. J.) "Courier-News," and the Danville (Ill.) "Commercial News." The New York state papers in the chain include the Rochester "Times-Union," Rochester "Democrat" and

Chronicle," Elmira "Star-Gazette," Elmira "Advertiser," Elmira "Telegram," Utica "Observer-Dispatch," Utica "Daily Press," Ithaca "Journal," Newburgh "News," Beacon "News," Albany "Knickerbocker - News," Ogdensburg "Journal," Ogdensburg "Sunday Advance News," Olean "Times-Herald," Malone "Telegram," Saratoga Springs "Saratogian," and Massena "Observer."

Buy Business Securities

Purchases of public utility, industrial and railroad securities by American life companies in May were the largest for several months, aggregating \$140,000,000, according to the Institute of Life Insurance. Purchases of industrial bonds accounted for \$80,000,000 of this total, and purchases of public utility bonds for \$40,000,000, with the balance equally divided between railroad bonds and miscellaneous stocks.

Lecture to WAC Recruiters

Six Nashville general agents have been giving weekly lectures on salesmanship to WAC recruiters in training there. E. Hal Blair, Bankers Life, spoke on "Meeting Objections"; E. T. Proctor, Northwestern Mutual, "Prospecting"; Charles Creagh, Metropolitan Life, "The Approach"; Richard Thorpe, "Cultivation," and W. H. Browder, Penn Mutual, "Presentation."

Results for First Six Months

	New Bus. 1944	New Bus. 1943	1944 Inc. in Force	1943 Inc. in Force
Acacia Mutual	42,907,727	29,260,720	31,668,423	18,968,711
American Mutual	3,376,261	3,156,254	888,278	—310,902
Berkshire Life	11,970,765	8,695,578	7,336,674	4,276,436
Colonial Life	7,496,381	8,442,131	3,465,769	2,465,017
Columbian National Life	9,772,221	6,726,722	15,485,545	2,740,244
Country Life	15,472,529	11,817,627	12,400,640	8,815,032
Durham Life	19,131,730	19,889,379	6,882,765	7,713,616
Eureka-Maryland	7,086,079	7,107,722	2,326,572	2,594,294
Kansas City Life	22,068,258	19,594,162	10,144,048	4,144,145
Manhattan Life	10,161,244	8,641,623	6,517,173	4,416,957
Mass. Mutual	80,273,237	70,544,529	45,687,960	28,993,466
Monarch Life, Can.	6,154,099	4,467,397	4,366,231	2,601,784
Mutual Life, Can.	37,036,263	36,277,114	26,800,334	21,341,106
National Guardian Life	3,535,577	2,262,970	2,518,175	1,033,150
New York Life	277,432,300	215,592,600	166,500,000	87,900,000
North American Reassur.	19,063,200	13,488,800	8,725,100	2,379,100
Northern Life	11,055,966	7,999,012	5,374,111	1,862,702
Northwestern National	33,389,064	24,140,335	28,549,538	16,996,849
Occidental Life, Cal.	117,398,655	84,374,785	56,772,053	48,435,723
Pan-American Life	16,892,130	13,903,759	9,755,397	6,263,980
Protective Life	21,090,639	10,344,575	17,149,583	6,095,156
Security Life & Trust, N. C.	10,423,241	11,872,646	3,722,851	4,027,093
Standard Life, Ind.	3,764,093	3,354,466	2,661,082	1,959,671
State Mutual, Mass.	25,819,748	22,936,917	15,003,838	10,331,378
West Coast Life	9,289,415	10,055,022	7,848,419	6,820,376

¹Includes extra amount on family income riders.

²Excluding annuities. Group additions not included in 1944 new business but is included in 1943, which on the new basis, would be \$32,120,478.

³Exclusive of paid up additions arising from dividends.

Completes Actuarial Exams While in Army Overseas

Robert G. Epsie of the actuarial division of Aetna Life, who is now stationed in England with the U. S. army, has been named a fellow of the Actuarial Society of America and the American Institute of Actuaries.

Last spring Mr. Epsie made arrangements to take Part 9 of the joint examinations given by the two societies and wrote the examination in England. However, his paper was not received in this country in time for his name to be included in the regular list of successful candidates.

A native of Toronto, Mr. Epsie was graduated from the University of Toronto in 1934. He went to Hartford in 1938 and entered Aetna Life's actuarial division, where he remained until he entered service in the spring of 1943.

Attorneys General to Discuss Commerce Decision

MEMPHIS, TENN.—The southern section of the National Association of Attorneys General at its meeting here Sept. 5 will take up the Supreme Court decision that insurance is commerce. Attorney General Beeler of Tennessee, who has expressed to Commissioner McCormack his willingness to request a new hearing in the case, is expected to lead the discussion. The southern section includes Florida, Virginia, Oklahoma, North Carolina, South Carolina, Mississippi, Georgia, Alabama, Arkansas, Kentucky, Louisiana and Tennessee. Insurance commissioners of these states, it is understood, will be asked to attend.

Hold San Francisco Rally

W. F. Winterble, agency vice-president of Bankers Life of Iowa, and M. E. Lewis, superintendent of agencies, will arrive in San Francisco July 28 to conduct a three-day meeting of the western managers, July 29-31. In addition to J. H. Rowe, northern California manager, those in attendance will be: William Crowder, Salt Lake City; E. H. Trandum, Billings; S. H. Bright, Spokane; M. A. Link, Seattle; A. E. Gravengaard, Portland, and M. E. Cramer, Los Angeles. The company's new pension plan, recruiting and general agency procedure will be discussed.

Three Million Dollar Men

Three members of Continental American's field organization have this year been accepted for membership in the Million Dollar Round Table. They are M. J. Lauer, general agent in New York City, who has repeatedly led the field organization in new business and has consistently qualified for membership in the company's top production clubs; Louis May of the Hancel agency, New York City, who has consistently been

R. E. Sweeney Proposed for A.L.C. Executive Committee

At a luncheon given in Indianapolis by Wendell Coler, vice-president and actuary of American United Life, for Robert L. Hogg, general manager-elect of the American Life Convention, it was announced that the Indiana Association of Legal Reserve Life Insurance Companies will propose Robert E. Sweeney, president of State Life, for membership on the executive committee of the A.L.C. A. J. McAndless, president of Lincoln National Life, retires from the executive committee this year.

Mr. Sweeney has been president of his company since 1932 and for many years has served the A.L.C. as vice-president in Indiana. He was president of the Indiana Association of Legal Reserve Life Insurance Companies in 1933-34. State Life is one of the original members of the American Life Convention, its membership dating back to 1906.

Guests at Mr. Coler's luncheon included the presidents of various Indianapolis companies as well as Ralph H. Kastner, associate counsel of the A.L.C. Lee N. Parker, president American Service Bureau; Commissioner Viehmann of Indiana; John Cramer, deputy commissioner, and Barrett Woodsmall, former vice-president of the American Service Bureau.

among the company's production leaders, and Joseph Harris of the Lauer agency. In 1943 Mr. Harris qualified as president of the "president's club," for having produced the greatest volume of new business.

Mutual Life's Leaders

The Oakland agency, managed by A. C. Nelson, led all other agencies of Mutual Life the first six months of this year in volume of insurance sold. The agency ranked second in June in volume of business. The R. E. Myer agency in New York City was second for the half-year and first for June. The New Orleans agency, managed by Richard F. Lawton, was third in the six months production and the Philadelphia agency, managed by A. F. Haas, third for June.

P. Anthony Sweet, Scranton, Pa., led all agents in volume in June. Louis Meister of Hartford agency was second and V. D. Hollander of the Kassoff agency in New York City third.

J. C. Davis of Pueblo, Colo., led in number of policies, with Mrs. Fern Ballinger, Oakland, second, while A. B. Fisch, St. Paul, was third.

A copy of Benjamin West's famous painting of William Penn's Treaty with the Indians, done by an unknown English artist about a century ago, has been acquired by Penn Mutual Life in celebration of the 300th anniversary of the birth of William Penn. Penn Mutual has a particular interest in the picture because during 66 years the treaty painting was reproduced on every Penn Mutual policy head.

FLASH

TO THE MEN IN THE FIELD

FINANCIAL INTEGRITY IS IMPORTANT

Progressively conservative are the words which best describe the financial policy and position of Commonwealth Life. Its steady, healthy growth (well above the average) is truly illustrative of that fact.

Here is how Commonwealth has grown:

	Assets	Capital and Surplus	Insurance in Force
1913	\$1,184,988	\$416,204	\$16,339,863
1923	\$5,544,995	\$1,321,792	\$65,295,486
1933	\$14,860,977	\$2,250,000	\$115,048,145
1943	\$30,053,180	\$3,260,176	\$219,012,634

It means much to the men in the field if their company is forging steadily ahead on a sound progressive basis.

Where Quality Men are building Quality Volume

COMMONWEALTH

Life INSURANCE CO.

MORTON BOYD, President

HOME OFFICE ★ LOUISVILLE

Court Interprets Air Exclusion in Life Policy

The clause in a life insurance policy which states that the insurer will not pay double indemnity benefits if insured's death results from "engaging as a passenger, or otherwise, in submarine or aeronautic operations, etc." has an occupational connotation, the Tennessee supreme court ruled in the case of National Bank of Commerce, etc., vs. New York Life. The trial court had dismissed the bill against New York Life, holding that the exception clause relieved the insurer of liability.

The insured, Virgil E. Miller, was killed while traveling as a paying passenger on a regular American Airlines flight Nashville to Memphis. Suit was brought to recover double indemnity, and New York Life denied liability, relying on the exception clause.

Relies on Word "Operations"

National Bank of Commerce said that the language of the exception properly construed does not exclude from coverage one who is not engaging at the time of his death in aeronautic operations, but is a casual fare-paying passenger in a regular scheduled passenger air trip. The plaintiff stated further that if it was the intention of the insurer to exclude from coverage one in this situation, it would have been a very simple matter to do so in plain and unambiguous terms.

The court stated "it cannot be reasonably contended one using language with any degree of selective care would describe a fare-paying casual passenger . . . as engaging in aeronautical operations. If he purchased a bus ticket and rode by regular bus line between the same points, it would be utterly unnatural to refer to him as engaged in bus line operations.

The same may be said of one who buys a ticket and rides a railroad train between the same points."

The court indicated it would be inclined to concede some controlling significance to the words, "as a passenger or otherwise," if the insurer had added the word "fare-paying," or even "paid," as a prefix to the word "passenger."

The court added that there is a fundamental difference in the measure of risk as between one who is a mere fare-paying passenger from point to point and one who is riding as a passenger as a part of the performance of his occupational duties. Many companies, the

court said, have revised their policies to accept liability where insured is a fare-paying passenger in a licensed aircraft on a scheduled passenger run.

Insurance for Canadian Veterans

Ian MacKenzie, pensions minister, has introduced in the Canadian house of commons an insurance bill which will pave the way for veterans of the present war to obtain insurance policies up to \$10,000 without medical examination. The government will carry the insurance at premium rate slightly lower than that charged by insurance companies for nonparticipating insurance. The scheme is open to all members of the forces, men and women, regardless of where they serve or their physical condition.

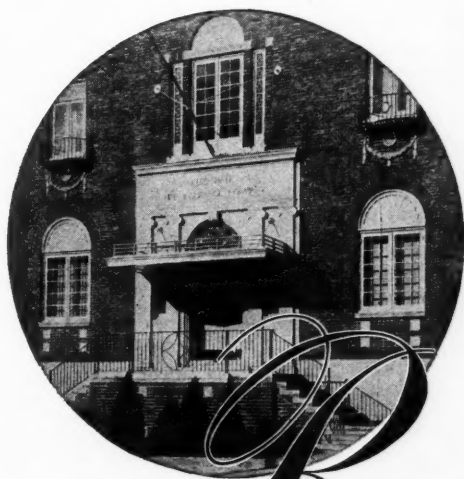
Franklin Life purchased \$1,850,000 in war bonds in the fifth war loan, President Chas. E. Becker announced. This purchase, in addition to bonds bought earlier this year, brings Franklin Life's total purchase for the first six months in 1944 to more than \$3,750,000. Total government bonds purchased by Franklin Life since Pearl Harbor are approximately \$11,000,000.



Something New...

Just as new as the B-29 Bombing of Japan is our Child's Savings Plan policy. Its flexibility allows for almost any contingency which may arise even though its primary purpose is to guarantee the child's education. When the educational fund is drawn upon, the policy continues as Ordinary insurance and the premium automatically reduces to the Ordinary rate at the original age without medical examination. In addition, the policyholder has the option of placing the policy upon either a Limited Pay or Endowment basis.

The Child's Savings Plan is proving very salable. It is one of the big reasons for the record-breaking production of our men. The first month it was introduced their total production was three times what it was the same month last year.



Bankers

NATIONAL LIFE

Insurance Company.. Montclair, N.J.

Ralph R. Lounsbury, President
W. J. Sieger V. P. & Sup't. of Agencies

WANTED

Supervisor in established agency

SALARY — COMMISSIONS
BONUS

A genuine opportunity to learn a proven recruiting and training process that should qualify you for handling a successful agency of your own.

Write in confidence, giving complete details in first letter. Address W-53, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Mutual Benefit's Chicago Agencies Celebrate 75th Anniversary

Chicago agencies of Mutual Benefit Life are celebrating their 75th anniversary. Although a Chicago merchant bought a \$5,000 Mutual Benefit Life policy in 1847, two years after the company's founding, and other Chicagoans followed suit, it was not until Aug. 2,

from 1878 to 1897 and was followed by Bokum & Van Arsdale, George Pick and A. A. Drew.

It was during Mr. Drew's regime, 1919-1937, that the agency showed its greatest growth. His retirement in 1937 terminated a Mutual Benefit connection which went back to 1903, covering service at the home office, first as editor of the "Pelican" and then as superintendent of agencies for 12 years before he went to Chicago.

When Mr. Drew retired because of ill health, the Chicago territory which included the metropolitan counties was divided into two general agencies in charge of Paul W. Cook and Bruce Parsons with a service and collection office to serve both headed by Alan S. Ingersoll.

Paul Cook's Record

Paul Cook, who went with the Drew agency in 1922 directly from the University of Chicago's graduate school of business, early turned his attention to supervisory work as well as personal production. He is a qualifying and life member of the Million Dollar Round Table and of the Mutual Benefit National Associates. Since becoming a general agent, he has ranked among the first in personal production of general agents. Specializing in estate planning



PAUL W. COOK

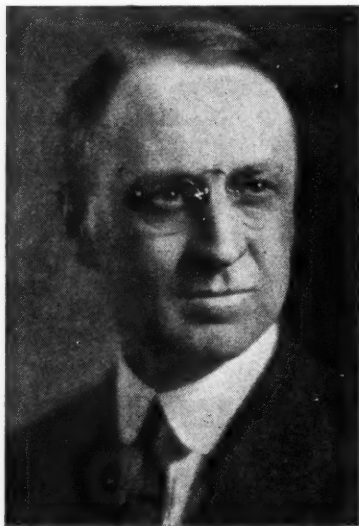
1869, that a general agency was established in the city, which then had 300,000 population. William Charles and James L. Short were the first general agents and they set up their office at 118-120 La Salle street, in charge of Illinois.

The Chicago man planning to insure his life in 1869 had 110 companies from which to choose. It was an era of speculators and adventurers in both business and life insurance. The tontine plan was in its first year but Mutual Benefit's annual statement reporting on 1869 business, indicated that the company would have nothing to do with tontine dividends or other speculative devices. In that year Mutual Benefit increased its insurance in force from \$15,500,000 to more than \$19,000,000.

Downstate Offices Opened

From those early beginnings, Chicago grew and the Mutual Benefit's Chicago agency grew. General agents changed and territorial arrangements changed. Separate agencies set up in 1906 at Peoria and Springfield, leaving Chicago to serve the ever-growing metropolitan area and northern Illinois.

The Chicago agency has had many leaders. Charles Leyenberger served



ALAN S. INGERSOLL

and business insurance, Mr. Cook has been a continuous student of taxation and economics. He has given unstint-

Life Company War Bond Purchases Top Premiums

Purchases of U. S. government securities since Jan. 1 by life companies have been nearly twice the total of all premiums received from policyholders in the same period, the Institute of Life Insurance reported. Funds becoming available for investment through maturities, pre-payments of mortgages and other portfolio changes, are being used to buy U. S. securities in addition to current income.

The net increase in holdings of U. S. securities since Jan. 1 has also exceeded the total premium income.

Life companies have purchased \$9,430,000,000 of war bonds in the five bond drives as follows:

First Drive	\$1,360,000,000
Second Drive	1,930,000,000
Third Drive	2,120,000,000
Fourth Drive	1,700,000,000
Fifth Drive	2,320,000,000



BRUCE PARSONS

ingly of his time and ideas to other Mutual Benefit men and to the whole field of life insurance salesmen, as a popular speaker and leader. He is a past president of the Chicago C.L.U. chapter and is currently president of the Chicago Life Insurance & Trust Council.

Parsons in Army

From the time Bruce Parsons joined the Chicago agency in 1923, following a diverse sales experience, the continuity of his efforts plus thorough service to policyholders brought about the natural growth which has placed him definitely in the million-dollar class. In three years his Mutual Benefit production alone exceeded a million dollars, leading the company one year. In 1940 his agency led the company in production, evidence that he had successfully communicated his sales philosophy to his men. Two years ago the army recalled him to active service as a major; today he is on leave of absence, serving as a lieutenant colonel in the European area.

When Mr. Parsons went into the army he left James F. Ramsey in charge of agency production. Under Mr. Ramsey's direction in 1942 the Parsons agency again ranked first in production. In personal production Mr. Ramsey in each of the two years he has been with the company has qualified for National Associates. He is also a life and qualifying member of the Million Dollar Round Table.



James F. Ramsey

Ingersoll Successful Producer

Mr. Ingersoll, who long served the Chicago agency as assistant to Mr. Drew, is giving the Chicago agencies the benefit of his management talent. He first represented Mutual Benefit in Newark in 1918 and a year later went to Chicago with Mr. Drew as his assistant. He has also been a successful personal producer, particularly in the fields of estate planning and taxation.

The Chicago agency has always held high place in Mutual Benefit production, and the present Chicago agencies are continuing that record. Five Chicagoans have paid for more than a million in business in the past 12 months, and two women agents have become members of the Quarter Million Round Table.

Today, more than \$140,000,000 of life insurance is in force in the combined Chicago agencies. In their best year's production the two agencies paid for more than a total of \$15,221,000. Last year, with four members of the Cook agency and eight members of the Parsons agency in the armed forces, the two agencies paid for more than \$14,000,000.

Managers and Executives Biggest Life Policy Buyers

Managers and executives led all other occupational groups in number of big life policies bought and in total volume thus purchased during the second quarter of 1944, according to Lincoln National Life's quarterly survey of buyers of life policies of \$10,000 or more.

Listed according to number of policies bought, the big buyer groups were: Managers and executives, individual proprietors, professional men, skilled workers, salesmen, clerks, students, farmers, housewives, unskilled workers, and teachers.

Managers, executives, individual proprietors and professional men accounted for twice as many policies and a larger volume than all the other classes combined.

The big buyer groups listed according to total amounts purchased were: Managers and executives, individual proprietors, professional men, skilled workers, clerks, salesmen, housewives, students, farmers, unskilled workers, and teachers.

Demand to Be Made for Mortgage Money

Call Will Go to Life Companies for Post-War Financing

Life companies naturally are much interested in the mortgage field. L. E. Mahan of St. Louis, vice-president Mortgage Bankers Association, made a recent survey. As of Dec. 31, he estimated that the total outstanding mortgages amounted to \$34,372,700,000. Of these the various federal agencies hold \$3,436,500,000.

Mr. Mahan finds that \$10,500,000,000 mortgages are owned by individuals, which is more than one-third of the total held by private interests, including the life companies, savings and loan associations, mutual savings banks, commercial banks and fraternal.

There will be a great demand for private money to meet mortgage financing after the war. Building will be on a boom, therefore there will be a loud call for mortgage money. Companies are aware of this situation and are arranging to do their share.

Equitable War Death Claims 2.2% of Total

Equitable Society has paid \$3,275,000 in benefits to families of 1,321 policyholders in military service from Pearl Harbor through June 30, 1944. An additional \$1,067,000 has been paid families of 266 civilians killed as a result of the war, which brings total war death benefits to \$4,342,000 or 2.2% of all death claims paid during the period.

Equitable Society's insurance in force on June 30 stood at \$8,628,197,359, up \$182,600,000 since Dec. 31, and a gain of \$431,935,369 for the 12 months ending June 30. Assets reached a new high of \$3,335,835,000.

In the first six months the average size of new policies issued was 18.3% higher than a year ago. Policy lapses declined 16% and policy surrenders dropped nearly 30%. Total new ordinary business in the first half was \$186,986,751, increase \$149,776,235.

The company canceled plans to celebrate its 85th anniversary July 27.

Alliance Life Contest Winners

Winners in the Alliance Life Sweepstakes contest, annual early summer production contest, included D. J. Patterson, Battle Creek, Mich.; E. W. Nuechterlein, Saginaw, Mich., and A. W. Kish, Tuscola; F. W. Johnson, Kewanee; C. F. Newby, Springfield, and Charles Reinecke, Streator, all of Illinois.

President M. A. Kern said business outstripped any previous year's campaign production by 28%. The company has shown a substantial gain each month this year over the corresponding month in 1943.

J. A. Smithies, superintendent of agencies of Metropolitan Life in the Pacific Coast head office, at a dinner tendered by the company was honored for his completion of 50 years service. Employees with 20 or more years continuous service and representative managers from all sections of the territory, which includes California, Oregon, Washington, Montana and Idaho, attended. Mr. Smithies is the first member of the Pacific Coast staff to serve 50 years and last month was presented a 50-year service pin by F. H. Ecker, board chairman. He started as a clerk in Pennsylvania in 1894 and went to the Pacific Coast in 1937.

Van Winkle Says Good Men Are Obtainable Now; Job of Building Required

LOS ANGELES—The Life Insurance Managers Association was host at a special meeting in honor of the Life Agency Supervisors Association of Los Angeles, at which supervisors were guests for the first time since their association was organized in 1939. Walter Hoefflin, Jr., of the Phinehas Prouty, Jr., general agency of Connecticut Mutual Life, president of the supervisors, spoke for them. Mark S. Trueblood, inspector of agencies Union Central Life, president of the managers association, welcomed the supervisors.

Mr. Hoefflin reported his association is backing a move to organize a national body of supervisors similar to the Million Dollar and Quarter Million Dollar Round Tables.

Kellogg Van Winkle, agency manager Equitable Society, spoke on "Our Responsibilities for the Future." Problems are: (1) Our situation today and how it should be handled to secure the best results today and tomorrow; (2) revitalizing our present agency force; (3) securing and selecting new agency material; (4) training and supervising.

He noted the 25% shrinkage in number of life agents under contract. On the other hand, more business is being placed, so that earnings of agents still under contract are more than 60% ahead.

The American public is saving its money more than ever before because it has more income from which to save, fewer things on which to spend it, is responding to the national urge for conservation of individual reserves and is more appreciative than ever of the value to them of the varied services of life insurance, he said.

The ability and industry of life agents remaining under contract evidently is above the average. He noted passage by the House of the Hancock-Walter bills as a direct reply to the Supreme Court decision declaring life insurance interstate commerce. This action, he said, was undoubtedly taken in an effort to avoid the possibility of an encroachment of the federal government on the insurance business.

Should Not Wait

"There seems, on the part of some, to be a tendency to put their planning in cold storage until after the war, spending their entire energies on conserving what they have in the way of manpower, but doing little or nothing now to capitalize aggressively under today's situation, today—and, in such a way that it will make a proper springboard for increased activity when peace comes. I am a firm believer in capitalizing aggressively on today's most favorable factors, but always with the thought in mind of how today's actions will affect tomorrow's opportunities.

Opposes "Cold Storage" Idea

"The 'cold storage process' until the end of the war applies more particularly in the field of new organization than in any other of our activities as agency heads. I have heard many say that they were not making any effort to get new men now, but would immediately do so when the war ended. With this philosophy I emphatically disagree. I am completely satisfied that new men—

and good new men—can be secured now and have been available constantly since Dec. 8, 1941."

Mr. Van Winkle discussed women as agents. "A carefully selected, properly trained and supervised woman, it has been my observation, makes in many ways a better agent than a man. She requires more information than a man, as she wants to be more sure of her facts before she starts—but, she will follow instructions and fight through many conditions which a man would walk away from. We should all of us definitely have in mind in our recruiting plans for the present and the future, the careful choosing and training of at least a few women.

What Business Is Demonstrating

"It seems to me that our great business of marketing the service of life insurance is today demonstrating that the American public has the intelligence to buy life insurance in astonishing totals when it has the money to pay the premiums, and, when we do our job of presenting life insurance in such a way that people can see clearly how it will help them solve one of their real life problems. There is every reason to expect that we will go out of this war and its prosperity into an extended period of tremendous business activity and

IN U. S. WAR SERVICE

Lt. Robert Kenyon, formerly with Mutual Benefit Life in Detroit and now a Mustang fighter pilot with the oldest American fighter unit in England, is credited with shooting down two Messerschmitts in action and destroying a Heinkel fighter on the ground. He is a son of J. H. Kenyon, veteran agent of Mutual Benefit there.

Lisle D. Payne, with Penn Mutual Life in Des Moines for three years, has been inducted into the army and is now stationed in Denver. He is the ninth member of the agency to enter service.

Robert E. Merriman, son of Robert Merriman, vice-president and actuary of Scranton Life, has been promoted to lieutenant in the navy. He was com-

consequent good times. Undoubtedly, our companies will keep up with the procession in the sense of new and progressive policies of insurance and public relations so that, if we will continue to do our part in recruiting good agency material, adequately training it and giving it the inspiration of real leadership, we can look forward with confidence to a greater usefulness than has been possible in the past."

missioned an ensign at Annapolis in May, 1942.

Chester Bouten, group representative of Connecticut General in the Parks P. Duffey agency in Richmond, has been commissioned an ensign in the navy.

Capt. Lester F. Rentmeester of the Green Bay agency of National Guardian Life and since December, 1943, pilot of a Flying Fortress over Germany, recently visited his home on leave. He has made 30 flights over Germany and has been awarded the distinguished flying cross.

Memphis Round Table Expands

Edward Felsenthal, New England Mutual Life, is the new chairman of the Memphis Quarter Million Dollar Round Table. William P. Brown, Union Central, is vice-chairman, and William F. Hughes, Massachusetts Mutual, secretary-treasurer. Charles Howson, Travelers, was named honorary president as production leader. Isaac Loskove, State Mutual, second in volume, is honorary vice-president. The Round Table now has 18 active members and four in service compared to six charter members a year ago. Monthly dinners are held at the Peabody Hotel.

Write Accident & Health Bulletins, 420 E. Fourth St., Cincinnati, for plans for increasing sales.

Are You the Man Who—

—Wants to be a
General Agent
and
—Lives in any of
these towns?

Decatur, Illinois
Philadelphia, Pa.
Tampa, Florida
Fresno, Calif.
Lubbock, Texas
Council Bluffs, Iowa
Owensboro, Kentucky
Wilmington, Delaware

If you live in or near any of the listed towns and are ambitious for a General Agency opportunity there which your present company is unable to give you—write in confidence for the details of the General Agency openings offered.

THE LINCOLN NATIONAL LIFE

INSURANCE

COMPANY

Fort Wayne

Indiana

Geared To Help Its Fieldmen



WANTED
MANAGER of RENEWAL and CONSERVATION DEPARTMENT. Applicants must be between 30 and 45 and have had several years of Home Office experience in this type of work. Good salary to start and a REAL OPPORTUNITY for progress in the Home Office organization of a high grade old line Mutual Life Insurance Company organized in 1905. Located in large mid-western city. Give details on experience and educational qualifications. All replies confidential. Address Box W-45, care the National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Much Discussion in Company Ranks

(CONTINUED FROM PAGE 2)

that inasmuch as they are not affected by the U. S. Supreme Court decision as a major problem they would not be so afraid of federal supervision if it were done under proper administration.

According to the best thought in Washington in congressional circles, the officials undoubtedly are disappointed that there is not unanimity among the insurance folks themselves. For instance, a senator stated that he was very much in favor of some sort of an investigation to get at facts, to find just what measures should be taken to protect insurance and yet provide for reasonable supervision. He acknowledged that there are other statutes than the Sherman and Clayton anti-trust laws that apply to insurance now that it has been decided that it is commerce.

Some Want a Study Made

He said that some of the insurance men have taken the ground that there should be a study of all these statutes to see whether there might be some other exemptions devoutly desired.

This group that is advocating a study of all the statutes is very sincere, evidently wanting in concrete form all that will have a bearing on insurance so that the whole question can be considered at once. This senator takes the position that if the insurance people insist on a thorough investigation of all the laws he doubts very much whether the Bailey-Walter bill can be passed this year. If the insurance industry, he declares, intends to make a study of all laws that affect insurance under interstate commerce acts the attempt to pass the Bailey-Walter bill will come to naught because it will be deferred until next year and see if Congress will not ini-

tiate some sort of a study on its own hook.

So far as can be ascertained the insurance commissioners do not share many of the views expressed by company executives. Evidently the commissioners and even company executives do not relish the thought of being asked to go to Washington and testify.

A movement to get President Eric Johnston of the U. S. Chamber of Commerce to call a meeting of leaders in the insurance industry, trying to get them together with recommendations is creating some interest but Mr. Johnston has just returned from Russia and his associates say that he will be very busy for a month on matters that must take his attention and therefore that he will not be in a position to head any insurance movement.

It is not likely that the life insurance companies will be able to stand on the same platform with the fire and casualty people. Companies writing life insurance that have casualty and fire affiliates have endeavored to get the life insurance folks to agree to the exemption measure but little progress has been made. Many of the life executives have no sympathy for an exemption bill for the reason that they believe the public will get an entirely wrong conception of what it is all about. They declare that they make themselves vulnerable by espousing it. Let it be agreed, they say, that life insurance is commerce but they do not want class legislation. They point to their huge assets held in trust and say they have a solemn duty to perform to protect them.

Some of the life executives want the insurance commissioners to come to the industry voluntarily and ask for suggestions or a decision as to its ideas of what should be done. These executives do not want to be put in the position of trying to force their views on the commissioners.

One of the interesting features in the company group discussion arises from

offices that have companies writing fire insurance, casualty insurance and some have life insurance associates. Here then are three different elements entering the controversy.

Mass Recruiting Held Unlikely

(CONTINUED FROM PAGE 2)

pany connection. Mutual Life will also use, starting in September, an attractive mailing piece which will be sent to centers of influence monthly for the purpose of building a favorable impression of the business. In the past 12 months practically twice as many new men have been hired as in the previous 12 months.

The best men come either from the personal acquaintances of the members of the agency or through centers of influence. It is realized that the problem of finding a good agent is similar to that of finding a good prospect for life insurance. Mass methods cannot be used on such a basis and the process of building career men is a highly selective one.

Democrats Pass Over Insurance

(CONTINUED FROM PAGE 1)

acter of which apparently was determined by the number of men with New Deal leanings, particularly on the drafting committee. These included Senators Pepper of Florida, Hatch of New Mexico, O'Mahoney of Wyoming, Thomas of Utah, Tunnell of Delaware, Green of Rhode Island, Truman of Missouri, and McCarran of Nevada; Representatives Mary Norton of New Jersey and Izac of California; Josephus Daniels of North Carolina, and Miss Ann T. Stewart of Kansas.

There appeared to be some feeling among the drafters of the platform that issues which might develop controversial angles should be avoided. There had been a strong suggestion from the administration that the platform be kept as short as possible.

Mr. D'Alesandro and others, however, felt that since the Republicans had a definite statement expressing the party's attitude toward insurance and favoring states' rights supervision of it, the Democrats were making a mistake by not also including such a plank. Some of the planks that were adopted, such as the one on Palestine and equal pay for women, were included in the Democratic platform in order to match similar action by the Republicans. Mr. D'Alesandro felt that this omission would leave the Democrats at a disadvantage politically.

Window Dressing

There was a strong impression that the lengthy sessions of the subcommittee which heard the proposals of various interests were window dressing, in view of the number of proposals which obviously never had a chance of being included in the final platform.

The insurance people believe that Commissioner McCormack's presentation of the case for insurance and states rights was fair, dignified and justified by the facts. On that score they were disappointed at not getting anything in the platform.

An insurance plank by both parties would largely have eliminated the subject from political debate during the campaign, insurance men believed. Now, however, they think the business may come in for political discussion, particularly in view of the number of letters senators and congressmen have received from constituents regarding the effect of the Supreme Court decisions on their life insurance.

Part of the platform was in the form of "accomplishments," and in this portion it states that the Democratic administration "provided social security, in-

cluding old age pensions, unemployment insurance, security for crippled and dependent children, and the blind." Under "post war programs" it offers "the enactment of such additional humanitarian, labor, social, and farm legislation as time and experience may require. . . . This would cover almost anything."

One of the planks offers price guarantees and crop insurance to farmers.

L.A.A. Announces New Members

Professional Insurance Corporation, Jacksonville, Fla., represented by Ted D. Bayley, and Fidelity Life, Fulton, Ill., represented by Harold Allen, director of publicity, are new company members of the Life Insurance Advertisers Association.

New individual members are Ernie Guttersten, American National, filling the unexpired term of Clark W. Thompson, now in military service, and Carl V. Cefola, Mutual Life, who replaces Robert L. Barbour.

Membership of the L.A.A. now comprises 132 companies, with 219 active individual members and 42 in services, an all-time high in all three categories.

Read "Fidelity & Surety Bonding" by G. R. Wentz. 400 pages. Price \$2. Order from National Underwriter.



I FIRST SAW JANET FIVE YEARS AGO AT A GIRL SCOUT MEETING. SHE WAS SWEET AS A FOURTEEN-YEAR OLD GIRL CAN BE. I WATCHED HER THROUGH HIGH SCHOOL FOR SHE WAS THE CHUM OF MY DAUGHTER.

ABOUT A YEAR AGO Janet left for DePauw, my daughter for Purdue. The girls drifted apart. In Feb. we learned of the death of Janet's father. He left a widow and six children, Janet the eldest.

WE DID NOT SEE JANET until a week ago when she came over wearing a defense worker's badge. From the porch, I overheard the girls visiting in the living room.

"Do you like your work?" "No, but I must make lots of money." Then . . . "What is your mother doing?" "Working at Indpls. Link." (Miles away—a heavy-duty plant.)

"ARE YOU going back to DePauw?"

I WISH you could have heard her brave words, "I can't leave Mom and the kids." Sitting with me on my porch, I think that in a blinding flash of pity for Janet, you would have dedicated yourself anew to the greatest business in the world.



PAUL SPEICHER
Managing Editor

**THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS**

**Plus signs
are PLENTIFUL!**

"Plus signs" are plentiful along the road Pacific Mutual field representatives have traveled during 1943. Some 50 Million Dollars of new Pacific Mutual protection has been placed and paid for in the year—a "plus" of 32% over 1942 and a net gain in insurance in force of around 20 Million Dollars. For the career-underwriter with Pacific Mutual, there's a world of satisfaction in such "plus signs". They represent increased personal earnings. They are tangible products of those sound features of coverage and operation which constantly inspire Pacific Mutual representatives to say, "Ours is a distinctive company".

**PACIFIC MUTUAL
LIFE INSURANCE COMPANY**

(A CALIFORNIA CORPORATION)
HOME OFFICE, LOS ANGELES, CALIFORNIA

PACIFIC MUTUAL...A DISTINCTIVE COMPANY

LIFE-ACCIDENT
HEALTH-ANNUITIES
GROUP INSURANCE
Featuring the New
and Unusual Savings
Plan that Pays
5 Ways

Agents of Old Line Life Honor Reilly



Agents of Old Line Life of America E. Reilly by writing the largest life in June paid tribute to President John volume of any month in the past two

years and recorded one of the best months in the company's history in the accident and health division. During President's Month, traditionally one of the year's best months, a large birthday card was on display in President Reilly's office, and to it the names of agents producing business were affixed daily.

In acknowledging to the field force the tribute paid him, President Reilly called attention to the fact that the percentage of agents under contract who wrote business was one of the highest in the company's experience. He expressed confidence that this fine upswing will continue and that the closing half of the year will be one of the best ever recorded.

Number of Small Business Firms Declines 500,000 in 2 Years Since Pearl Harbor

In the two years ended with 1943, some 1,073,000 business enterprises closed their doors and only 572,000 new businesses were organized, a net decline of about 500,000, according to the U. S. Department of Commerce. An additional 541,000 enterprises were reorganized or transferred to new owners. Discussing the figures in the "Survey of Current Business," monthly publica-

tion of the department, the authors state that while these figures superficially suggest that the ranks of business have been decimated by war, this does not necessarily follow. Business turnover is always of startling proportions. For example, in the two years prior to Pearl Harbor, business discontinuances were 914,000.

High Wages and Selective Service

A number of businesses have folded up because the owners have found attractive alternative opportunities in war industries or have been called into service, and the existence of lucrative employment opportunities and selective service have been powerful deterrents to entry into business. The decline in the rate of entry of new enterprises is as much the cause of the drop in number of operating firms as the increase in rate of discontinuances.

A large part of the business turnover in the war period has involved the smallest firms. In the years 1942-43 concerns with fewer than four employees, comprising about 82% of all firms, provided 95% of all discontinuances, 91% of all new businesses and 90% of all transfers, the article states.

Increase your accident sales with ideas from the Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

Golden Anniversary 1944



50th Year of Service in Peace and in War!

* The State Life Insurance Company has paid \$144,000,000 to Policyowners and Beneficiaries since organization September 5, 1894 . . . The Company also holds over \$59,000,000 in Assets for their benefit . . . A total of \$17,500,000 is invested in War Bonds and U. S. Government securities . . . Life Insurance and The State Life serve in Peace and in War.



THE STATE LIFE INSURANCE COMPANY

Indianapolis, Indiana

MUTUAL LEGAL RESERVE FOUNDED 1894



Since 1867

a life insurance company distinguished by the character and ability of the men and women comprising its field organization . . . and by the integrity of its management.

EQUITABLE LIFE OF IOWA

Founded 1867

HOME OFFICE

DES MOINES, IOWA

EDITORIAL COMMENT

Splendid Showing by Life Insurance

Life companies made a splendid showing in the fifth war loan bond drive, the total subscriptions by American and Canadian companies amounting to \$2.1 billion. In the fourth war loan drive their purchases amounted to \$1.7 billion. Add to this the purchase of federal government bonds of \$2,440,000,000 the first five months of this year. This brings their total purchases of these securities to \$4,540,000,000 since Jan. 1.

Altogether life insurance can be proud of its achievement.

These figures of course do not include the purchases by life insurance men of war bonds. It can be taken for granted that the life insurance industry as a whole, companies, home office people, field men and others have done their utmost.

'Death Rates' from Uncurbed Rivalry

The Department of Commerce in its "Survey of Current Business" has put out some figures on the number of businesses which go to the wall each year that Attorney General Biddle could well bear in mind if he still believes that the insurance business is just like any other and that unrestricted freedom of competition is to be encouraged and even required.

The Commerce Department's study shows that in the two years immediately following Pearl Harbor 1,078,000 American business enterprises closed their doors while during that same period only 572,000 new businesses were organized. The Commerce Department hastens to assure the public that this net decline of some 500,000 in the last two years is not due to the war and is not far from the normal peacetime proportions, which, it concedes, are startling. In fact, it was only in 1942 and the first quarter of 1943 that the rate of business discontinuances exceeded that of pre-war years. During the last three quarters of 1943 the discontinuance rate was strikingly lower than before the war.

The dog-eat-dog philosophy that is generally accepted for most lines of business necessarily results in a high

casualty rate and in many cases heavy financial loss for investors and the necessity for personnel to seek new connections. The benefits from the public's point of view, however, are regarded as outweighing the hardships involved.

Of course, if a manufacturer of automobiles, vacuum cleaners or washing machines goes out of business those who have bought his wares find them depreciated by the difficulty of obtaining replacement parts and perhaps service. However, this inconvenience is trifling when compared with the effects of unrestricted competition in the field of insurance, whether fire, casualty, or life. The Supreme Court's decision that insurance is commerce does not alter the fundamental fact that insurance is a matter of contract involving the future delivery of amounts of money that are vitally important to the insured.

One look at the Department of Commerce figure of 1,078,000 business deaths in two years should be enough to convince anyone that though unregulated competition may be the life of trade it is unthinkable for a business which is so affected by the public interest as all branches of the insurance business are.

Conventions and Rail Traffic

There is sometimes a tendency to look on business conventions as putting an added and perhaps unjustified load on already over-burdened railroad facilities but closer study of all factors makes it appear that these gatherings probably add little if anything to the railroads' passenger traffic volume. Conceivably they even operate to reduce it, because a convention is not only a place where men listen to speeches but is also an opportunity to confer with others who will be there. This means the elimination of a great deal of traveling by men who would otherwise have to make several trips to see these same people.

It did not take ancient man very long to discover that the best way to transact business was by having a market place instead of peddling his wares from door to door or each buyer having to seek out individual sellers. The same principle operates in the grain market in Chicago, the cotton market in New Orleans and the various stock exchanges. The convention is in effect a market place, though not of commodities. Those who attend do so to acquire ideas, information, or assent to some important proposition that cannot

be handled satisfactorily by letter or telephone.

In addition, in most of the cities where conventions are currently being held, those who attend frequently have business to transact there and by adjusting their schedules can make one trip do for both the convention and their business errands.

Unfortunately there is no way of telling with any great exactness to what extent the holding of business conventions affects the net amount of passenger traffic but in view of the above considerations it seems as if the amount of increase they cause—if they do result in an increase—is far smaller than has been generally assumed.

PERSONAL SIDE OF THE BUSINESS

George D. Covell, new Chicago manager of Connecticut General Life, did not appear at his office last Thursday. He had a good reason for staying home. At about 6 o'clock that morning a seven pound son arrived in his family.

A. N. Fahrenkopf, superintendent of Prudential at Glens Falls, N. Y., rounded out 45 years' service July 24. He started with the company as a clerk in Albany in 1899. In 1902 he was made an agent and in 1909 was promoted to assistant superintendent at Albany, becoming superintendent at Glens Falls in 1930.

Joe Smith, Abilene, Tex., recently began his 17th year of app-week production for Seaboard Life. He wrote Burke Baker, company president, his annual letter, enclosing a \$2,500 application.

Frank Mozley, veteran agent of Beneficial Life in Salt Lake City, has become a member of the company's exclusive Multimillionaire Club, being the third Beneficial agent to attain this distinction. In his honor a dinner was given by the company, attended by 75 company representatives and specially invited guests, including the Deans Club, organization of veteran life insurance men, of which the guest of honor is a member. Speakers included Executive Vice-president George J. Cannon, General Agent Harry J. Syphus, Secretary Virgil H. Smith, David Peterson, Ogden manager; Frank J. Mozley, son of the multimillionaire, speaking for the Mozley family, and President John D. Spencer of the Deans Club. Both Mr. and Mrs. Mozley were presented inscribed watches with diamond setting.

H. E. Hilton, assistant manager U. S. Chamber of Commerce insurance department, is in the middle west on vacation until Aug. 1. After attending the Democratic national convention in Chicago, he visited in his home town, Des Moines.

Maurice E. Benson, assistant counsel of the American Life Convention at Chicago, who has resigned, joins the law firm of Morrison, Nugent, Berger & Johns at Kansas City. He is a graduate of Washington University at St. Louis and practiced law in St. Louis until 1934, when he joined the legal staff of the American Life Convention. He was attorney up to 1940. He was editor of the "A. L. C. Legal Bulletins."

Harold Dillman, agency manager of Security Mutual Life of Nebraska in Lincoln, has completed 20 years of service with that organization, which he joined after graduation from the University of Nebraska. Mr. Dillman has been one of the company's largest producers. He is past president of the Lincoln Association of Life Underwriters.

W. A. Mueller, who has just been ap-

pointed insurance commissioner of South Dakota to succeed the late George K. Burt, was for 16 years a local agent for fire and life companies while acting as cashier of the Farmers State Bank of Turton, S. D. He was appointed chief examiner of the South Dakota department in 1940 at the time Mr. Burt became commissioner.

The Navy Department has announced that a new destroyer will be named for the late **Ensign Neal A. Scott**, former Nashville general agent of Aetna Life, who was killed in action Oct. 26, 1942, aboard the destroyer Smith, in the battle of Santa Cruz in the South Pacific.

DEATHS

S. M. Swab of Denver, state agent of Federal Life & Casualty for Colorado, New Mexico, Kansas, Texas and Missouri and president of the Denver Accident & Health Underwriters Association, died very suddenly. A. M. Quaintance, Fidelity Protective Mutual, vice-president of the association, will fill out the remainder of Mr. Swab's term as president.

William F. McCaughey, 83, retired general agent of Northwestern Mutual Life at Racine, Wis., died at his home in St. Petersburg, Fla. He had been in failing health for some time. He went to Wisconsin from Cleveland in 1889 as an agent of Northwestern Mutual, establishing headquarters at Racine. He became general agent there in 1907 and served until 1935, when he retired. During the 29 years, the agency placed more than \$70,000,000 of business with Northwestern Mutual.

W. P. Helscher, 81, who had represented Northwestern Life at Corpus Christi more than 30 years, died at Robstown, Tex.

Dr. Howard A. Pardee, 85, who retired as medical director of United States Life in 1934, died at his home in Upper Montclair, N. J., after a long illness. He joined United States Life in 1898 and became medical director two years later. He graduated from New York University Medical School, served as resident physician at Bellevue hospital, and then practiced medicine in Philadelphia from 1889 to 1898.

Benjamin C. Hyde, 69, Kansas City, former Missouri superintendent of insurance, died there. Mr. Hyde was appointed superintendent in 1921 by his brother, Governor Arthur M. Hyde. Later that year Mr. Hyde ordered a 10% reduction in fire insurance rates, and the subject has been in litigation in one form or another since. He served two terms as superintendent and retired in 1929 because of ill health.

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Big for

Sales the fir an incu revival and lifa ince in high o cles, a six m year.

Asses 687,850 since year. \$127,40 has so exceed proper 500,000 valuat

Deat cluding to Pea \$3,160, ians w of mili 500, a marine surance with \$ report war de holders \$61,634

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Frank fice pic

NEWS OF THE COMPANIES

Big Half Year Gain for N. W. Mutual

Sales of Northwestern Mutual Life the first six months were \$135,700,000, an increase of 31.7%. There were also revivals and additions totaling \$9,361,000 and life annuities of \$1,430,000. Insurance in force June 30 reached a new high of \$4,349,650,000 on 1,148,000 policies, an increase of \$92,200,000 for the six months and \$171,772,000 for the year.

Assets reached an all-time high of \$1,687,850,000, an increase of \$50,400,000 since Jan. 1 and \$111,460,000 for the year. In the half year it has acquired \$127,400,000 of government bonds. It has sold 118 farms at a price materially exceeding the asset value and 14 city properties with an asset value of \$2,500,000 at a price that exceeded that valuation.

Deaths of policyholders in service, including those who were in service prior to Pearl Harbor, total 869, involving \$3,160,000 of insurance. Twelve civilians who have lost their lives as a result of military action were insured for \$80,500, and 11 members of the merchant marine who died carried \$45,250 of insurance. In addition, 174 policyholders with \$534,200 of insurance have been reported as missing in action by the war department. Payments to policyholders and beneficiaries aggregated \$61,634,600.

Continental Assurance Opens Its New Home Office in Its Building

Continental Assurance of Chicago opened its new home office in the Continental building, 310 South Michigan avenue, Chicago, Monday, occupying the fifth floor and part of the sixth. Everything was in perfect order so that the ordinary machinery was operating in good form. First Vice-president Roy Tuchbreiter was present at the opening of the office and remained during most of the day getting in touch with different departments. He will have a private office and will spend some time each day there. Probably the greater part of his time will be at the Continental Casualty office, 910 South Michigan avenue, where he is president.

H. C. Reeder, vice-president and actuary; Vice-president W. M. Boyden; Dr. H. W. Dingman, vice-president and medical director; W. E. White, vice-president and director of agencies; D. G. Scott, assistant actuary and assistant secretary, and other officials were on hand to welcome guests. Mr. Boyden, who is head of the investment department, will have his office with Continental Assurance and the investment work will be carried on there. The directors and members of the executive committee of both companies will hereafter hold their meetings in the Continental Assurance office. H. A. Behrens, president of Continental Assurance, will have his office with the life company and will spend most of his time there. He will still retain an office with Continental Casualty.

Plans for Birmingham Merger

BIRMINGHAM, ALA.—Actual consolidation of Liberty National Life and Brown-Service Insurance Co., both of Birmingham, now approved by stockholders of both companies, will not be completed until the end of the year.

Brown-Service Insurance Co. will continue its operation uninterrupted as a division of Liberty National Life, so that its agency organization, composed of over 500 managers, superintendents and agents, will be continued intact.

Franklin Life held its annual home office picnic.

Western Mutual Now Western States

Western Mutual Life of Fargo, N. D., was converted into a stock company as of July 1 and is now Western States Life. The conversion took place in conformity with the plan under which the company was organized in June, 1930.

A. R. Bergesen, president of Western Mutual Life from the beginning, has been elected chairman; Otto Haakenstad, executive secretary of the former company, now is president; and M. R. Prenner, actuary in the North Dakota insurance department for 19 years, has been elected secretary and actuary. There was no change in the directorate.

Mr. Prenner, a graduate of the University of Michigan, has passed four examinations of the American Institute of Actuaries and is an associate of the Casualty Actuarial Society.

Other Officers

Other officers are Dr. T. H. Lewis, vice-president and medical director; Otto Isaak, vice-president; E. N. Dahlin, treasurer; Erna Hille, assistant secretary; E. M. Neiman, assistant treasurer; O. S. Granner, superintendent of agents; W. F. Burnett, general counsel. Directors include S. A. Olsness of Sheyenne, N. D., former insurance commissioner for many years.

All operations of the company have been confined to North Dakota but other states will now be entered and the agency forces expanded.

The company has about \$16 million of insurance in force and assets of more than \$1¼ million.

Dixie National Now Operating

Dixie National Life of Birmingham, recently licensed in Alabama with \$100,000 capital and surplus of \$46,159, is writing both ordinary and industrial business.

The president, Frank W. Hulse, is also president of Southern Airways, Decatur, Ala. Vice-presidents are H. H. Cobbs, Jr., Dr. G. E. Fisher, who is also medical officer, and W. W. Bankhead, son of Senator Bankhead of Alabama; secretary, W. C. Bonham, who was for 10 years with Brown-Service Ins. Co. of Birmingham, and H. M. Davis, Birmingham realtor, treasurer.

Southland Life Host to Employees

Southland Life was host at a party and outdoor dance for all employees, marking production of a large volume of new business in July honoring President W. C. McCord, attainment of the 1944 goal of \$200 million of insurance in force and the winning of the Lou Gehrig trophy in the purchase of war bonds during the fifth war loan drive.

Extra Dividend Declared

Directors of California-Western States Life have declared a 50 cent regular and a 50 cent special dividend payable Sept. 11 to stockholders of record Aug. 25. A regular and special dividend of like amount was paid March 15.

In a letter to the stockholders, O. J. Lacy, president, states that mortality experience on policyholders in the armed service has not been as large as expected. Paid business for the first half of 1944 is more than one-third greater than during the like period of 1943.

The California-Western States has invested more than \$21 million in war bonds.

Pan-American Gains

Pan-American Life's semi-annual statement shows substantial increases. New paid business for the first six months totaled \$16,892,130, increasing

the insurance in force to \$215,038,309, representing a net gain of \$9,755,397.

Assets increased \$3,934,291 to \$56,686,895. Capital and surplus is \$3,602,712.

COMPANY MEN

Webster Associate Actuary of Girard Life

Lindsay M. Webster, who has been chief life actuary of the Pennsylvania



L. M. Webster

insurance department for a number of years, has become associate actuary of Girard Life. He is widely known by actuarial people in Pennsylvania, having joined the department in 1925. He has been in its Philadelphia office continuously except for a short period when he was with Presbyterian Ministers Fund. Mr. Webster is a native of Harrisburg and a graduate of the University of Pennsylvania.

Heads Research Work

John W. McNeill has joined Life of Virginia as head of its new research and planning division, a branch of the insurance contracts department. Mr.

McNeill is a graduate of Ohio State University, from which he holds the degrees of B.S. in education and M.A. in economics and soon will complete requirements for a Ph.D. in insurance.

Since graduating from college Mr. McNeill has had a wide experience as a teacher, including association with the faculty of Ohio State. Recently he has been associate professor of business at the University of Richmond.

Western Life Arranges Supervisory Program

Luther G. Thompson has been appointed superintendent of agencies of Western Life of Helena, Mont., in the inter-mountain region including Montana, southern Idaho and all of Utah with headquarters at the head office. In 1927 while still going to school he took a part-time contract with National Fidelity Life of Kansas City. Later he graduated from the University of Michigan actuarial course and went on a full-time basis with National Fidelity. Since 1934 he has been with George Washington Life in Charleston, W. Va., as secretary of agencies and a director. He was also a member of its executive committee.

Ted Thompson has been appointed superintendent of agencies of the Western Life for the inland empire, consisting of western Washington, eastern Oregon and the Idaho Panhandle, with headquarters at Spokane. He took up life insurance work in 1932 as an agent of Penn Mutual at Spokane. He had previously been in the investment business at Spokane. He was appointed su-

LITTLE HUMAN TOUCHES MAKE THE GREAT INSTITUTION



The Story of His "Soldier" Boy

One day, a father watched his boy making a gun. The father grew troubled. "Ah!" he sighed. "Some day, that gun may be real." Then, a friend made him think. "True, your boy may fight or fly for his country. But still you can protect him in one way." "How?" asked the father. "By giving him now what he might never be able to get again, after the war is over," said his friend, who was a life insurance agent. "Do you mean life insurance?" asked the father. "But at his age?" "Yes. If he is now under 15½, my company will still insure him against any dangers." "Even against war?" "Against any dangers whatever."

"And the cost?" asked the father. "At his age, it is small. It stays small all his life. And his policy has a 'cash value' which grows into an estate for him." "Then this," decided the father, "is not just insurance against the future—but for the future, too!"

QUESTION: Which life insurance company insures boys through all future fighting, flying and other dangers?

ANSWER:

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

NEWARK, NEW JERSEY

(FROM OUR SERIES OF ADVERTISEMENTS IN NATIONAL MAGAZINES)

pervisor of Penn Mutual's Spokane agency in 1937. The following year he was made agency manager there of Oregon Mutual, resigning that position to go with Western Life. He is no relation to L. G. Thompson.

Pedoe Advanced by Prudential of London

Prudential of London has appointed Arthur Pedoe actuary and secretary for Canada. Mr. Pedoe has been in the company's Canadian employ 14 years as actuary. He gained his initial training in London with Friend's Provident. Shortly after being made a fellow of the British Institute of Actuaries, Mr. Pedoe came to America in 1923 to work under Henry Moir. After serving some time in New York he became actuary of Continental Life, Toronto.

Prudential's life business in Canada exceeds \$60 millions in force excluding annuities of more than \$1 million per year.

Prudential Home Office Promotions

Prudential has promoted Bernard H. Bruns and John P. McLaughlin to assistant supervisors, to assist in the administration of ordinary agencies. Mr. Bruns will handle the eastern and western groups and Mr. McLaughlin the northern and southern. Harry W. Platt, chief clerk of the ordinary agency records department, has been advanced to assistant manager.

Mr. Bruns has been with the company for 23 years, starting in the actuarial department. Mr. McLaughlin also has been with the company 23 years and has been in the ordinary agency records department all of that time.

Montgomery, Ala., Election

The Montgomery (Ala.) C.L.U. chapter has elected these officers: Ed. F. Wright, Mutual Life, president; W. D. Kirby, National Life & Accident, vice-president; L. Cleve Brown, New York Life, secretary-treasurer.

John H. Mockett, 83, for a number of years in partnership with his father as general agent for southern Nebraska of Northwestern Mutual Life, died in Denver, where he has been engaged in mining operations in recent years. He had served as superintendent of agents of Midwest Life of Nebraska 1906-1910. He served five terms in the Nebraska legislature and was its speaker in 1903, being influential in directing early insurance legislation and adoption of a state insurance code.

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Concord, N. H.

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WILLIAM D. HALLER
Vice President and Agency Manager
Concord, N. H.

LIFE AGENCY CHANGES

Major Mitchell Back in Field with Minn. Mutual

Maj. Arthur S. Mitchell, who has just received his discharge from the army, has been appointed general agent in South Dakota by Minnesota Mutual Life, with headquarters at Brookings, his former home. He formerly was with Equitable Society and Penn Mutual in South Dakota and was called to supervisory positions in New York City by both of those companies but resigned both times to return to his native state. He is a former president of the South Dakota Life Underwriters Association.

Since entering service he has been stationed at Fort Sam Houston, San Antonio, Tex., in the quartermaster's department.

Minnesota Mutual also has appointed William D. Young, Jr., formerly general agent of Pacific Mutual at Cedar Rapids, Ia., as general agent at Spokane, Wash.



Maj. A. S. Mitchell

Neuman Named Supervisor

Stanley J. Neuman has been appointed supervisor in the A. E. Kraus agency of Pacific Mutual Life in Los Angeles. He entered life insurance about three months since on his discharge from the army, where he had served for two years as an instructor in anti-aircraft work. General Agent Kraus plans to have Mr. Neuman utilize the army training method in instructing new agents.

Hill Named at Syracuse

Earl N. Hill has been appointed general agent at Syracuse, N. Y., by Equitable Life of Iowa. He had been assistant manager of Metropolitan Life for eight years for Syracuse and upper New York state.

President F. W. Hubbell of Equitable Life of Iowa has received a captured Jap Arisaki army rifle, taken in the marine invasion of Tarawa, from Corp. O. H. Holland, former home office man, who took part in the marine landings there.

Duncan Named to Succeed Witherspoon

John Hancock Mutual Life has appointed Starkey Duncan general agent in Nashville to succeed John A. Witherspoon, former president of the National Association of Life Underwriters, who has become vice-president of Volunteer State Life.

Mr. Duncan has served as agency supervisor of John Hancock at San Antonio since 1939 and has had 17 years experience in life insurance. Immediately after his graduation from Southwestern University in 1927, he started with Seaboard Life. Three years later he joined San Jacinto Life as assistant to the general supervisor of agencies. When Seaboard merged with Great Southern Life, Mr. Duncan continued with the latter company until 1934 when he became a branch manager for Fidelity Union Life. In 1939 he joined John Hancock as agency supervisor in San Antonio.

In addition to numerous offices and activities in the San Antonio Life Underwriters Association, Mr. Duncan has been a member of the legislative committee of the Texas association, has served as chairman of its extension committee and as chairman of its general agents and managers section. He has also been active in many civic organizations.

Prudential Promotes Thoss

Frank Thoss has been promoted to superintendent at Mt. Vernon, Ill., by Prudential. He replaces J. Fred S. Elmhirsh, retired.

Mr. Thoss has been assistant superintendent at Princeton, Ind. He started as an agent in Evansville, Ind., in 1929.

Bremer Named Associate

C. Clark Bremer has joined the Victoroff agency of Bankers National Life in Jersey City as associate general agent. He formerly was brokerage supervisor for the Goulden, Cook & Gudeon agency in New York. His duties in the Victoroff agency will comprise brokerage supervision as well as personal production. In the short period he has been with the agency he has qualified for membership in the Master Producers Club.

E. F. Rankin District Manager

Earl F. Rankin has been appointed district manager for central Arkansas by Equitable Society, associated with L. M. Wilson, agency manager. He will handle personal production as well as organization work. He has been with the company in Little Rock for many years.

Campbell Associate Manager

H. L. Campbell has been appointed by Canada Life as associate manager of its Kingston, Ont., branch, assisting Manager C. H. Rooke with additional duties resulting from enlargement of the Kingston territory. He has his headquarters at Brockville and will be responsible for the eastern section of the branch. He has been with Canada Life since 1929 and served the Brockville district about seven years.

Max Joins Haas

Frank J. Max, Jr., has been appointed supervising assistant in Mutual Life's Philadelphia agency, it is announced by A. F. Haas, manager. Mr. Max will assist in the development of estate planning procedure. He was with the Universal Credit Corporation

and later became manager of the General Motors Contracts Corporation in Schenectady and then in Philadelphia. He subsequently went with the Connecticut General Life.

McClure with Franklin Life

Joseph P. McClure, formerly agency supervisor of Atlantic Life, has been named general agent at Austin, Tex., by Franklin Life.

Atlantic Life Names Soots

Atlantic Life has appointed Stacy V. Soots manager at Greensboro, N. C. For eight years he has represented Imperial Life as district superintendent at Wilmington, N. C.

SALES MEETS

Phoenix Mutual's New Compensation Plan Explained

Phoenix Mutual Life's new plan of compensation, which is now effective, was explained by Col. D. Gordon Hunter, vice-president and agency manager, at a series of regional meetings.

Major objectives of the plan are: 1. An increase in compensation for the effective agent. 2. An increase in the stability of his income. 3. Reimbursement for time spent in policy service work. 4. Improved relationship between compensation and the quality of business produced. 5. Coordination with existing retirement benefits. 6. Increased reward for continuity in company service.

Renewal Commissions Stressed

While retaining a favorable first year commission rate, the new plan places emphasis on income from renewal commissions, supplemented by a bonus for

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placing business with a good persistency. Colonel Hunter anticipates that this will result not only in materially increased income from premiums beyond the first year, but also in a moderate increase in the agents' benefits for retirement under the retirement plan which has been in operation since 1924.

Service Fees Paid

In addition, the new franchise provides reimbursement for the agent's time spent in service work with his own policyholders, where the policy is beyond the renewal commission period, and with so-called orphan policyholders. These service fees are to be payable as monthly income on a level basis, thereby decreasing the effect of fluctuations in commissions.

The part of the plan providing service fees is being placed in operation on an experimental basis for one year. During this time, this feature will be carefully studied to determine any possible modifications that should be made.

Woods Agency Conference

The Woods agency of Equitable Society at Pittsburgh held its three-day 45th annual educational conference at State College, Pa. Morning sessions were given over to business and afternoons and evenings to sports, sightseeing and entertainment.

Approximately 50 who qualified for the 1944 Century Club attended the round table session the first morning on "The Business and Tax Dollar" and pension trusts. Associate Manager F. J. Stevenson of the agency was chairman.

Trust Is "Fourth Option"

The agent should familiarize himself with the problems of estate analysis or else make effective use of the services of a competent trust officer, Henry Cooper, trust officer of the People's-Pittsburgh Trust Company, stated. He should make a more detailed analysis of the prospect's affairs. He should go to the prospect's house and not take him to the bank. The trust company is a good third party influence and offers a fourth settlement option, the use of the insurance trust, he said, in addition to the three ordinarily used by the agent.

Lisle A. Spencer, associate agency manager, discussed various steps in the preparation of a pension trust agreement, and C. L. Lundgren pointed out that the problem of retirement is just as important for the employee in a small business as for one in a large organization, and that a pension trust setup is usually the answer. In 106 pension cases totaling more than \$21 million in volume, the average lives per case totaled 26, not large enough to come under group requirements, Mr. Lundgren said. The premium on the average case covering 26 lives totals \$10,000, resulting in a commission ranging from \$400 to \$450 per case.

Lawrence C. Woods, Jr., agency manager, introduced the general conference the second day. He said in the first six months the agency increased its paid ordinary 47% and the average size policy 27%. Dr. John R. Conover, medical referee, spoke, and Mr. Lundgren discussed financial security under today's economic conditions.

Frank S. Sayers, divisional group manager, and N. E. Horelick, director of group annuities, discussed the field for group insurance at the third morning's session. Mr. Sayers pointed out that group insurance is one of the most effective means of reaching the corporate dollar. Mr. Horelick explained that there is now no difficulty in extending existing plans if the agent carefully analyzes the plan he sold some years ago and compares it with others in the same locality or in the same type of industry. It is simple to increase the amount if the employer is shown what other companies are doing, he said.

Others on the program included M. B. Cahill, C. L. Bolster, E. W. Travis,

Julian Park, E. J. Young, Miss Dorothy Paulin, B. I. Herman, E. V. Kohn and E. R. Jeter, the latter agency manager at Rockhill, S. C.

Penn Mutual Agencies Hold Conference

Approximately 35 Penn Mutual agents attended the Omaha educational conference held jointly by the company's Davenport, Des Moines, Waterloo and Omaha general agencies. Harmon S. Jones, general agent at Omaha, discussed "Looking Ahead to the Post-War Era"; Larry Cederberg, Davenport, "Prospecting Under Wartime Conditions"; Phillip Feldman, Omaha, "Programming," and Harold Rugg, Waterloo, "Relationship Between General Agent and Agent."

E. L. Reiley, general agent at Cleveland, discussed "Philosophy Underlying Penn Mutual Program Sale"; Ed Connolly, Des Moines general agent, opened the second day's session; Wade Nelson, Waterloo, discussed "The Farm Market Today"; George Kirk, Davenport general agent, "Value of Clear Thinking in the Life Insurance Business"; B. C. Brown, Des Moines, "Delivering the Optional App"; Mr. Reiley, "Overcoming Buying Resistance," and Mr. Connolly, "As You Go So Goes Your Production."

Will Meet in New Orleans

The Cecil Woods Club of Volunteer State Life will hold its annual convention in New Orleans Oct. 12-14. John A. Witherspoon, new vice-president and agency director, reports that the volume of business during President's Month showed material gains over the same months of the past two years.

Start Sizzling Summer Sale

A "Sizzling Summer Sale in Oklahoma" was launched at an agency meeting of the Pacific Mutual state agency. Production winners will be rewarded with war bonds. Malcolm C. White, general agent for Oklahoma, presided.

Hemphill Schedules Parley

A. D. Hemphill, Oakland, Cal., manager, Equitable Society will hold an educational conference for agents of central California at Carmel-by-the-Sea, Sept. 11-13.

Aid Ordnance Production

Forty young women typists employed by Franklin Life are engaged in work on a "victory shift" in the offices of the Lincoln ordnance depot a few miles out of Springfield, Ill. They work evenings and Saturdays on a roster basis.

NEW YORK

EQUITABLE CHORUS ACTIVE

The girls chorus from the home office of Equitable Society presented a program at the Cash Register Stage in Times Square, N. Y. City. The chorus has also appeared before various war camps, canteens and training centers.

OTT AGENCY SETS RECORD

The A. V. Ott Agency of Equitable Society in New York showed an 87%

increase in paid volume in June and a 66% gain for the first six months. Paid commissions increased 50% in June, 55% for the year. New organization business gained 50% in the first six months. Group sales were up 47% in June and 232% for the first six months.

RETRAINING PROBLEM STUDIED

An informal meeting of 14 personnel department representatives of fire, life and casualty companies in New York was held to discuss the matter of what to do about the education and training of returning members of the armed



FOLLOWING DARK HOURS

He may be coaxing a big "Caterpillar" Diesel Tractor to bulldoze a landing strip on Saipan; driving an ammunition train to Russia over the world's wildest railroad—the Trans-Iranian line; building telephone lines on Bougainville; he may be a soldier, a sailor or a marine—

But, wherever he is, he has seen what complete regimentation can do to a people; regimentation done so cleverly, so gradually by the leaders that the people themselves have traded their rights as free citizens for glittering promises of security — and have lost both freedom and security.

He is handling the fighting over there and expects us to keep alive the thing for which he is fighting—the right to make his way in the world on his own—just a fair chance to get ahead without needless interference.

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forces. This is one of the biggest problems facing the companies and there is considerable variation in ideas on what steps should be taken.

Some of the companies are relying on the Insurance Society of New York for the necessary training courses and a further meeting will be held after Sept. 1 for the purpose of taking some definite action. Considerable opinion is in favor of day courses two or three days a week which would be sponsored by the society. J. F. O'Hern, manager Veterans Administration area office 2, explained what the veteran could expect from the government in the way of educational assistance. A. C. Goerlich, educational director of the society, presided.

N. Y. ORDINARY SALES UP

Sales of ordinary insurance in New York City for June, 1944, as estimated by the Life Insurance Sales Research Bureau and released by the New York City Life Underwriters Association were \$63,316,000 as against \$49,917,000 for June, 1943.

NAMES COMMITTEE CHAIRMEN

B. D. Salinger, general agent Mutual Benefit Life, president of the New York C.L.U. chapter, has appointed the following committee chairmen to serve for the coming year: G. H. Young, general agent State Mutual, 1945 seminar; H. N. Sloane, assistant manager McNulty agency Prudential, and S. L. Wolkenberg, Union Central, co-chairman, membership; Pasquale Quarto, John Hancock, luncheon arrangements.

ASSOCIATIONS

Lewis Is Texas Secretary; Plan for 1945 Congresses

AUSTIN, TEX.—R. N. Lewis, Great National Life, Austin, has been named secretary of the Texas Association of Life Underwriters, Bob Lyles, Austin, president of the organization, announces.

The 1945 Tri-City Sales Congress plans were discussed and a February schedule tentatively arranged at a meeting here of the executive committee of the state association. Attending the meeting were Mr. Lyles, Jul B. Baumann, Houston, Pacific Mutual Life, national trustee, and three of the five vice-presidents: E. Dale Shepherd, Connecticut Mutual, Houston; Keith Collier, Jefferson Standard, Corpus Christi, and James D. Edgcomb, John Hancock Mutual, Dallas.

New Orleans—James W. Smither, Jr., Union Central Life, has been elected president, succeeding E. C. Upton, Jr., Sun Life. Louis M. Planchard, Jr., is vice-president; Charles G. Coyle, Aetna Life, secretary, and Richard F. Lawton, treasurer.

Sheboygan, Wis.—At the annual outing, members of an all-soldier show from Camp McCoy, Wis., in the city for two public bond show appearances that

evening, were guests. Sheboygan association members were responsible for the sale of \$1,197,000 of bonds in the 5th War Loan campaign.

Valley Grande (Tex.)—William J. Williams, Western Reserve, Harlingen, Tex., was elected president, succeeding Eddie Marburger, Jefferson Standard, Edinburg, who was named national committeeman. D. B. Meadows, Jefferson Standard, Harlingen, was named secretary-treasurer.

Wilson, N. C.—Wyatt Pearsall has been installed as president, succeeding T. E. Epps.

Tampa, Fla.—E. F. Eastwood, Reliance Life, has been installed as president. Henry M. Jernigan, New York Life, is vice-president, and Joseph Savarino, secretary. Oscar Boone, president Florida association, spoke.

Topeka—Bert Mitchner, Hutchinson local agent and director of revenue of the state commission of revenue and taxation in Kansas, spoke at the July meeting.

Syracuse, N. Y.—These officers have been elected: President, William R. Robertson, Massachusetts Mutual Life; vice-president, William H. Hanley, Metropolitan Life; executive secretary-treasurer, Grace V. McCrea, Farmers & Traders Life; secretary, Robert T. Wennstroem, Union Central Life.

Clyde H. Rogers, Guardian Life, retiring president, reported membership had reached the largest total in the association's history.

FRATERNALS

Mortality Committee Calls for Data

Actuary J. D. Reeder of the Illinois insurance department, who is chairman of the fraternal mortality committee of the National Association of Insurance Commissioners, has distributed to fraternal societies material to be used by them in furnishing the committee their experience as a basis for the study.

It early became evident to the committee it would be next to impossible to obtain reliable information from the various societies on mortality based on the policy year of issue, thus the committee decided information should be obtained largely from group valuation statements and submitted on a calendar year basis.

It was felt necessary to eliminate largely from the study all business that has gone through a rerating or is on an assessment basis since it was believed this would not be truly representative of mortality which the societies may expect on new business written at the modern adequate rates. Mr. Reeder therefore is calling for experience only on business which was written originally at adequate rates and is asking that this study be on the selected and ultimate basis, the select period being considered to be to the end of the fifth calendar year.

Extended insurance and paid up insurance also are being excluded from

the study. The societies are being asked to indicate by memorandum if the experience which they submit covers a predominantly large group from one occupation or race and to quote the section from their by-laws which brings about this condition; also to indicate any other condition or peculiarity which reflects itself in the material submitted.

The committee sent tabulation sheets to the societies on which to set down the experience on business which has been in force beyond the fifth calendar year. It is desired the study include all calendar years 1931-1943, inclusive, but business issued in 1931 will be excluded from the study for the period 1931-1935, inclusive, and then come into the study in 1936 and run through 1943. Business issued in 1939 will not appear in the experience as it has not yet come into the ultimate period because it is still within the select period 1939-1943, inclusive.

The committee urges the material be submitted not later than Oct. 1, as it hopes to make substantial progress in the study before the year closes.

Maccabees Production Is Now Far Ahead

Maccabees' new business in the Production Club year which closed June 30 totaled \$41,550,767, increase \$5,664,960 over the previous year. George Shelley, New York, with \$4,057,359, led all district managers and became president of the highest club. J. T. Mahoney, Kentucky, qualified as president of the \$1,750,000 district managers club and the \$1,500,000 personal producers club with total volume of \$1,853,000.

June business totaled \$3,534,865, J. E. Little, field director and actuary reported, of which \$1,902,280 was adult life benefit, \$939,433 junior and \$693,152 sickness and accident. Total new business in the first half of 1944 was \$21,015,030, gain over the same period in 1943 being 13%. However, adult life business in the half year was \$11,561,139, increase 17%; junior \$5,029,596, gain 11%; sickness and accident \$4,424,295, gain 5%.

Mass. Relief Measure Is Opposed in Hearing

BOSTON—Considerable opposition to the New England fraternal's bill to permit societies to charge off certain investment expenses from mortuary funds, filed with the last Massachusetts legislature, was encountered in a hearing before the legislative recess commission on fraternal benefit societies. P. J. Moynihan, former member of the state commission on administration and finance, opposed the measure, stating he believed fraternal benefit societies below 120% solvency should be rigidly controlled until they reach that point.

Patrick Carr of Dedham declared the fraternal have been on the way out since 1930 and suggested the societies should follow the example of insurance companies and prune expenses rather than take money from other funds.

Royal Neighbors Elects New Members of Board

Mrs. Jessie L. Mitchell, Brighton, Mich., was elected chairman of the board of supreme managers of Royal Neighbors, Rock Island, Ill., at a meeting in that city and Mrs. Alice C. Nash, Hopkins, Minn., vice-chairman, each to serve one year.

The other members of the board are Mrs. Margaret Gorman, Chicago; Mrs. Edna E. Walsh, Kansas City, and Mrs. Frances Torkelson, Lincoln, Nebr.; Mrs. Grace W. McCurdy, head of the society and Erna M. Barthel, recorder.

President Bullard Installed

E. J. Bullard, Detroit, for many years state manager and senior director of Modern Woodmen, has just been installed as president at a ceremony in the home office at Rock Island, Ill. He suc-

ceeds O. E. Aleshire, who resigned and is returning to Chicago to retire from all business. Mr. Bullard has been associated with Modern Woodmen for 47 years. He is an authority on banking and finance and has been chairman of the finance committee for 13 years. He will move to Rock Island to take charge on a full-time basis.

Aid Association Well Ahead

June production of Aid Association for Lutherans totaled \$2,751,125, an increase of about \$341,000, or over 12 1/2%. The total 1944 production for six months was \$14,609,783, compared to \$11,865,059, increase about 23%. The E. H. Neumann general agency led in June with \$217,000, increase about 25%, and with total for the half year \$1,200,967, gain \$356,767 or about 30%. The W. F. Schultz general agency was second with \$175,500 for June and \$912,500 for the six months. Individual leader was F. T. Bammel of the Bertram agency in Wisconsin with \$367,250 for the half year; second, A. J. J. Goegelein, Jacobs agency, Ohio, \$297,000; third, A. H. Blankenbourg, Mayerhoff agency, \$273,250.

Casimir Kowalski, general secretary of Polish National Alliance 1928-1933, died at the age of 61. He formerly was a member of the Illinois state planning commission and for several years was a C.I.O. labor organizer.

Lutheran Brotherhood July production in issued business was \$884,243 compared to \$560,624 in July, 1943, and for the year to date \$9,081,986, against \$5,512,015 in the first half of 1943.

ACCIDENT

Work on Policy Modernization

In line with the program of research, looking toward modernization of accident and health coverages, which was approved by the executive committee of the Health & Accident Underwriters Conference immediately following the annual meeting, special committees of the conference are now at work on various phases of the problem.

The first committee meeting, on hospital insurance, held in Chicago, was attended by 49 representatives of 33 companies.

Now a meeting of the medical expense committee of the conference has been scheduled for July 31 at the Stevens Hotel, Chicago. H. E. Curry of Farm Bureau Mutual Automobile, Columbus, O., is chairman. Its purpose will be to examine present trends and to explore future possibilities of medical expense coverage by private insurance carriers.

Later on meetings will be held by the impaired risks committee, under the chairmanship of A. D. Anderson of Occidental Life of California, and the public relations committee headed by Clyde W. Young, president of Monarch Life.

Because of the widespread interest in the subjects to be discussed, and with

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Supreme President

Frances D. Partridge
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AID ASSOCIATION for LUTHERANS
APPLETON, WISCONSIN

the idea of holding the number in each group down to the practical size of a "working" committee, it has been necessary to limit the attendance at these meetings to representatives of member companies of the conference.

These meetings are a result of enthusiastic interest developed at the annual meeting of the conference in Chicago. In regard to the program now under way, Harold R. Gordon, conference executive secretary, says:

"By cooperative and concerted action, private insurance companies of this country can and will provide adequate low-cost coverage to fit the needs of the insuring public. We are confident that the determined action of these special committees will result in the development of new policies designed to cover modern needs."

All committees are to report and submit their recommendations by Sept. 1.

Extend Civilian War Injury Cover Free for One Year

Holders of civilian war injury policies of record Aug. 1, 1944, will be entitled to one year of free insurance, as the result of action taken by the central governing committee of the civilian war injury policy pool, and subsequently adopted by the 56 insurance companies participating in the reinsurance pool. This follows similar action taken recently by the War Damage Corporation.

In announcing this decision, C. O. Pauley, secretary of Great Northern Life, chairman of the central governing committee, said: "In view of the remote possibility of any attack on this country during the next 12 months, it was felt by the central governing committee that all civilian war injury policies, expiring on or after Aug. 1, 1944, should be renewed for one year without the payment of any additional premium."

The civilian war injury policy rep-

resenting a notable cooperative effort, was originally brought out Aug. 10, 1942. In accordance with a plan sponsored by the Health & Accident Underwriters Conference, under the active direction of Executive Secretary Harold R. Gordon, a reinsurance pool was quickly organized by 56 companies with combined assets of more than \$750,000,000. A simple policy was issued providing the civilian with protection against death or injury resulting from war, in the same manner as war damage insurance afforded the public protection against loss of property.

AGENCY NEWS

Exceed Quota in Drive Honoring "Bill" Andrews

The W. H. Andrews, Jr. agency of Jefferson Standard Life in Greensboro, N. C., produced \$863,931 new business in a six-week birthday campaign honoring Manager Andrews, with a quota of \$565,000. Individual quotas were given all agents. J. P. Fritts, district manager, Winston-Salem, produced 352% of his quota, the highest percentage; E. F. Andrews, Greensboro, was top producer in volume with \$146,750. Stanley Sturm, supervisor, Greensboro, directed the drive. A three-day outing was held July 21-23 at Banner Elk, N. C. Mr. Andrews is vice-president National Association of Life Underwriters.

Big K. C. Life Production in Wis.

Agents of Kansas City Life in Wisconsin paid for \$250,000 of new business in June to honor Louis E. Madden, Wisconsin general agent, on his 20th anniversary with the company. A dinner closed the drive. It was attended by Charles W. Arnold, assistant superintendent of agencies.

E. E. Besser general agency Lincoln National Life, Chicago.—Doubled premium income, tripled brokerage business in first six months over substantial 1943 production, and ahead 95% in business for first half year.

A. F. Gills, Newark general agent of Provident Mutual Life, reports 80% gain in paid-for business for the first half year over last year.

J. H. Weber agency, Midwest Life, Denver, is in first place among all of its agencies for first six months; placed first in new paid business in each of the last six months. Three agents were among the top 10 countrywide in Midwest Life in individual production for the first six months.

RECORDS

Columbus Mutual Life—Showed a production gain of 19% the first six months of 1944, compared to the corresponding period of 1943. Lapses have reached an all-time low. The company now owns over \$20,000,000 government bonds, having purchased \$7,150,000 the first six months of 1944, including \$3,600,000 in the recent drive.

Franklin Life—Paid business for the week ending July 21 totaled \$1,241,703, the greatest week in its 60 years continuing the record-breaking performance established in the first six months.

Boston Mutual Life—For the first six months of 1944 had an insurance gain of \$5,547,461, making insurance in force of \$125,330,449. Excess of income over disbursements was \$1,043,841. Stocks and bonds totaled \$17,190,662, of which \$14,949,741 is in U. S. government bonds. Payments to policyholders and beneficiaries for the half year were \$963,728.

Minnesota Mutual Life—Ordinary business paid for the first six months totaled \$14,065,000, an increase of about 23% over last year. Insurance in force June 30 was \$290,418,347. With an increase of \$18,000,000 in insurance in force, lapses and surrenders were almost \$1,500,000 less than last year.

"Who Writes What?" tells you who will write the case in question. \$2.50 from National Underwriter.

Home Life Forms Advisory Committee of Managers

NEW YORK—Home Life has formed an advisory committee of general agents and managers from its conference group of agencies. W. P. Worthington, vice-president, pointed out that the plan was to have the president of Home Life's agency association always included in the committee. Four of the members are holders of the president's cup awarded for outstanding agency development. For the next year it will be composed of Otis M. Barry, Jackson, Miss.; Thomas A. Dent, Jr., Philadelphia; Vernon W. Holleman, Washington, D. C.; Lester Horton, Newark; Adolph R. Klein, Chicago, and Arthur D. Sutherland, Detroit.

For several years, meetings of sectional groups of general agents whose agency building problems are somewhat similar have been held, rather than one large general agents' meeting. As a result of these meetings a "conference group of agencies" was created, whose prime objective has been to keep accurate records of various phases of agency building activities. From these records has resulted a valuable exchange of ideas and information which has been extremely helpful in forming company agency policy and improving techniques in selling and agency building. This latest development is expected to establish closer cooperation between the field and home office and gain the maximum benefit of advice and counsel of the field. Suggestions which may be beneficial to the company as a whole have been solicited from its various agencies and will come up for discussion at the next meeting of the advisory committee the latter part of September.

Warns Against New Deal Control

Samuel B. Pettengill, former congressman from Indiana, writing in the Chicago "Herald-American," asks: "Is life insurance next? Mr. Roosevelt's appointees to the Supreme Court have just ruled that all insurance is under federal control. . . . The door is now open for the New Dealers to regulate and

Loew's Retirement Plan Approved

NEW YORK—Stockholders of Loew's Inc., theater and motion picture firm, have approved a non-contributory retirement plan for 4,300 employees requiring an annual premium outlay of \$3,500,000 which will be placed shortly with one of the major life companies. The plan has been approved by the Treasury and will be retroactive to March 1, 1944. Pensions for men will be provided beginning at 65 and for women at 60 of 15% of basic pay plus 10% of basic pay in excess of \$3,000 with the maximum pension, based on \$200,000 annual remuneration, \$49,700. Maj. Clark Gable and some other stars would be entitled to the maximum if still employed at 65.

Nine top ranking executives have voluntarily limited their compensation from 25% to 50% of former amounts, in all amounting to \$1,400,000, which will defray the charges for pensions on executive personnel. Under the voluntary ceiling, L. B. Mayer, managing director, is limited in any one year to \$500,000 compensation; N. M. Schenck, president, David Bernstein, vice-president and treasurer, J. R. Rubin, vice-president and general counsel, Alexander Lichtman, vice-president, Samuel Katz, vice-president, E. J. Mannix, Benjamin Thau, and L. A. Weingarten, production executives, all have \$200,000 limits. In some cases the cuts amount to more than \$100,000 a year and in Mr. Mayer's case to nearly \$500,000 for some years.

control every life insurance policy in America. . . . If the states had made a holy mess in preserving the solvency of insurance, federal control might be the only alternative. But did anything you own come through the depression . . . with a better record than insurance?"

"Why Disability Insurance is a Good Investment for You" cost only \$2 per 100. Order from The National Underwriter.

IS LIFE INSURANCE A PROFESSION?

Doctors, lawyers and others recognized as professional people go through long preparatory training: *The rewards of professional status come only to those who earn them.*

Like many other good companies, The Life Insurance Company of Virginia provides educational facilities for agents and encourages the study that leads to proficiency in a life insurance career. There is no "royal road to learning," but many can and do fit themselves for useful and profitable life insurance service. Only those who have earned the right can call themselves professional life insurance men.

LIFE Insurance Company of VIRGINIA

Home Office
Richmond



Established
1871

86 Years of Steady Growth Makes for Confidence in the Future

MONUMENTAL LIFE INSURANCE COMPANY
Home Office—Baltimore, Md.

→ **Build**

**YOUR OWN AGENCY, OR
BOOST YOUR INCOME . .**

Here's How:

The Wisconsin National helps you to success and security. It offers a new and attractive life agency plan with a group of select and salable policies—diversified policies—Life, Accident and Health.

Or, you can boost your present income. The Wisconsin National has the policies that will secure increased income for you through new business as well as renewals. Your commissions will be most liberal, supplemented by prompt claim service.

★ For contract and territory in Wisconsin, Illinois, Minnesota, Michigan or Indiana, address Agency Manager.

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• HEALTH •**

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They're too modest to broadcast . . .

but faultless precision is their goal,
a friendly and sincere interest in you their incentive

YOU SOLD a policy last week, and today you delivered it. At the end of the month you will receive your first commission check on the sale—then what? Following every sale is a period of twenty, thirty, forty or even fifty years in which premium payments must be made regularly, a period of "policyholders service" in which the salesman must establish the buyer as a satisfied customer. For, it is through a satisfied clientele that he earns continuous renewal commissions, and secures new prospects. They form the foundation of a successful career.

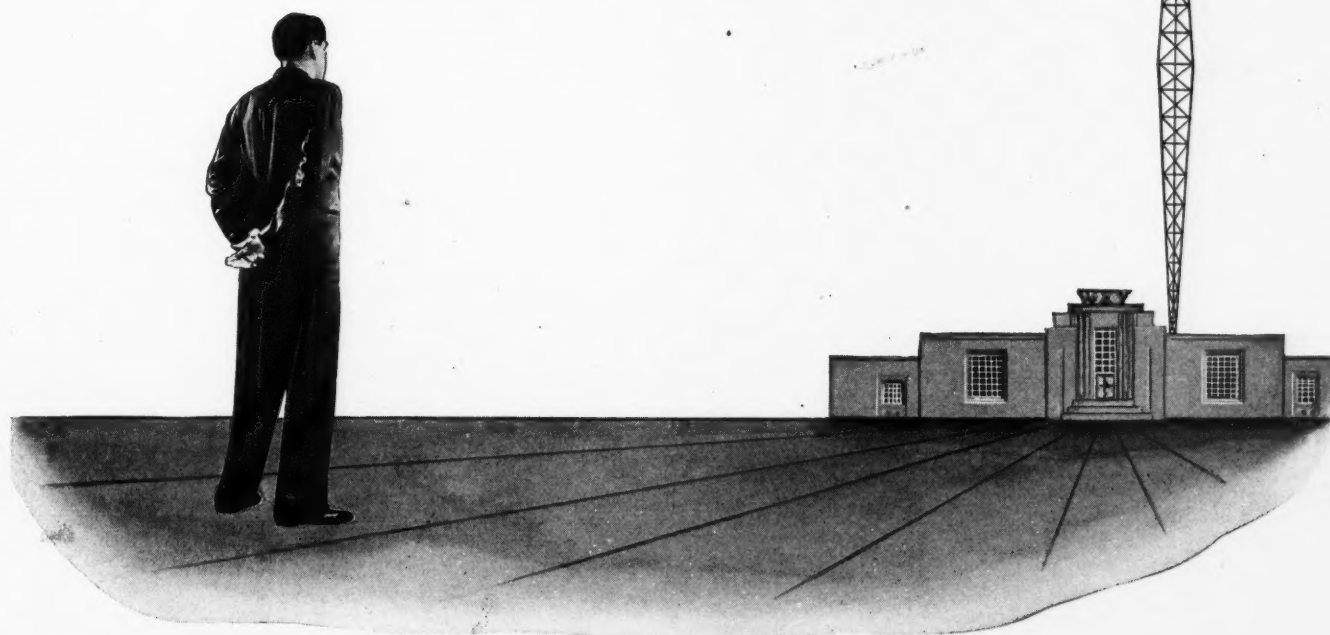
That's the aim of the Policyholders Accounting and Service Division—to give you every possible assistance in keeping policies in force over the years and in maintaining cordial policyholders relations. They serve you by serving your policyholders. Through the Service Department, loans are advanced to help policyholders meet premium payments or emergency requirements. A steady stream of information goes out in answer to such questions as: "How soon will my policy be paid up?", "How can I reduce my premiums but still have the same pro-

tection?", "I need money but don't want to cash in my policy, is there any way you can help me?". A "Conservation Desk" has been set up to investigate all policies on which an application for surrender has been made or on which premium payments have just stopped. Before any action is taken, all possibilities for the policy's continuation or conversion are brought to the attention of the policyholder through helpful suggestions.

In addition to the Service Department there is the Accounting Department which handles with accuracy and precision the tremendous volume of premium payments and receipts entailed in policy maintenance. Prompt attention is also given to interest and dividend payments.

For a satisfied clientele and guaranteed continuing income—join The Ohio National and let the Policyholders Service and Accounting Division do a good policyholders relations job for you. Write Ray Hodges, Superintendent of Agencies, at our Home Office today!

*Permanent opportunities
for personal producers
with proven sales records*



THE OHIO NATIONAL LIFE INSURANCE COMPANY

CINCINNATI, OHIO ★ T. W. APPLEBY, President

Home Life's

Average Policy Sale

in 1943 was \$7,771...

Highest
for the

7th

successive
year!

THIS advertisement is largely in tribute to members of Home Life's Field Force for their loyal and enthusiastic support of the Company's Quality program. This support from the Field has accounted for the highest average policy sale in American life insurance in 1943—the seventh consecutive year of such leadership. We in the Home Office are at once both proud and respectful of this splendid record.

James A. Fulton
President